

By the Committee on Banking and Insurance; and Senator Baker

597-2091-05

1 A bill to be entitled
2 An act relating to insurer insolvency; amending
3 s. 631.181, F.S.; providing an exception to
4 certain requirements for a signed statement for
5 certain claims against an insolvent insurer;
6 providing requirements; creating s. 631.1915,
7 F.S.; providing requirements for policyholder
8 collateral, deductible reimbursements, and
9 other policyholder obligations; specifying that
10 certain collateral held by an insurer or a
11 receiver to secure policyholder obligations
12 under a deductible agreement are not an estate
13 asset; requiring use of such collateral to
14 secure policyholder obligations under such
15 agreement; requiring a receiver to use such
16 collateral to pay noncovered claims under
17 certain circumstances; providing for certain
18 claims to be claims against an insurer's estate
19 under certain circumstances; requiring a
20 receiver to allocate collateral among certain
21 obligations and administer such collateral;
22 authorizing a receiver to continue and enforce
23 certain alternative policyholder claim funding
24 contractual agreements; specifying certain
25 actions as a bar to certain claims and an
26 extinguishment of certain obligations;
27 requiring a guaranty association to bill a
28 policyholder for certain reimbursement amounts
29 for certain claims; specifying policyholder
30 obligation for certain amounts; prohibiting
31 certain defenses; requiring a receiver to use

1 certain collateral for certain purposes;
2 requiring a receiver to prorate certain funds
3 of an estate under certain circumstances;
4 authorizing a guaranty association to deduct
5 certain expenses; requiring a guaranty
6 association to provide a complete accounting of
7 certain billing and collection activities;
8 authorizing a guaranty association to contract
9 for certain collections; providing for claims
10 against an insolvent insurer's estate for
11 certain unreimbursed claims payments; requiring
12 a receiver to annually adjust collateral held
13 pursuant to a deductible agreement; specifying
14 jurisdiction of a state court to resolve
15 disputes; preserving rights of a guaranty
16 association to reimbursement for certain
17 claims; providing application to certain orders
18 of liquidation; providing definitions;
19 providing for nonapplication to certain claims;
20 amending s. 631.54, F.S.; redefining the term
21 "covered claim"; amending s. 631.57, F.S.;
22 providing requirements and limitations for the
23 Florida Insurance Guaranty Association, Inc.,
24 relating to assessments for covered claims
25 payable from revenue bonds issued by counties
26 or municipalities; authorizing the association
27 to contract with counties and municipalities to
28 issue revenue bonds for certain purposes;
29 providing requirements for use of bond
30 proceeds; creating s. 631.695, F.S.; providing
31 legislative findings and purposes; providing

1 for issuance of revenue bonds through counties
2 and municipalities to fund assistance programs
3 for paying covered claims for hurricane damage;
4 providing procedures, requirements, and
5 limitations for counties, municipalities, and
6 the Florida Insurance Guaranty Association,
7 Inc., relating to issuance and validation of
8 such bonds; providing for payments on and
9 retirement of such bonds from certain
10 assessments; prohibiting pledging the funds,
11 credit, property, and taxing power of the
12 state, counties, and municipalities for payment
13 of bonds; specifying authorized uses of bond
14 proceeds; limiting the term of bonds;
15 specifying a state covenant to protect
16 bondholders from adverse actions relating to
17 such bonds; specifying exemptions for bonds,
18 notes, and other obligations of counties and
19 municipalities from certain taxes or
20 assessments on property and revenues;
21 authorizing counties and municipalities to
22 create a legal entity to exercise certain
23 powers; prohibiting repeal of certain
24 provisions relating to certain bonds under
25 certain circumstances; providing severability;
26 providing an effective date.

27
28 Be It Enacted by the Legislature of the State of Florida:

29
30 Section 1. Paragraph (f) is added to subsection (2) of
31 section 631.181, Florida Statutes, to read:

1 631.181 Filing and proof of claim.--

2 (2)

3 (f) The signed statement required by this section
4 shall not be required on claims for which adequate claims file
5 documentation exists within the records of the insolvent
6 insurer. Claims for payment of unearned premium shall not be
7 required to use the signed statement required by this section
8 if the receiver certifies to the guaranty fund that the
9 records of the insolvent insurer are sufficient to determine
10 the amount of unearned premium owed to each policyholder of
11 the insurer and such information is remitted to the guaranty
12 fund by the receiver in electronic or other mutually agreed
13 upon format.

14 Section 2. Section 631.1915, Florida Statutes, is
15 created to read:

16 631.1915 Policyholder collateral; deductible
17 reimbursements; other policyholder obligations.--

18 (1) Any collateral held by or for the benefit of, or
19 assigned to, the insurer or subsequently the receiver in order
20 to secure the obligations of a policyholder under a deductible
21 agreement shall not be considered an asset of the estate and
22 shall be maintained and administered by the receiver as
23 provided in this section, notwithstanding any other provision
24 of law or contract to the contrary.

25 (2) If the collateral is being held by or for the
26 benefit of, or assigned to, the insurer or subsequently the
27 receiver to secure obligations under a deductible agreement
28 with a policyholder subject to the provisions of this section,
29 the collateral shall be used to secure the policyholder's
30 obligation to fund or reimburse claims payments within the
31 agreed deductible amount.

1 (3) If a claim is subject to a deductible agreement
2 and secured by collateral and is not covered by any guaranty
3 association, the receiver shall adjust and pay the noncovered
4 claim using the collateral, but only to the extent of the
5 available collateral. A claim against the collateral by a
6 third-party claimant is not a claim against the insolvent
7 insurer's estate for purposes of s. 631.193. If the collateral
8 is exhausted and the insured is not able to provide funds to
9 pay the remaining claims within the deductible, the remaining
10 claims shall be claims against the insurer's estate subject to
11 complying with other provisions in this part for the filing
12 and allowance of such claims.

13 (4) To the extent the receiver is holding collateral
14 provided by a policyholder that was obtained to secure a
15 deductible agreement and to secure other obligations of the
16 policyholder, the receiver shall equitably allocate the
17 collateral among such obligations and administer the
18 collateral allocated to the deductible agreement pursuant to
19 this section. The receiver shall inform the guaranty
20 associations of the method and details of all the foregoing
21 allocations.

22 (5) Regardless of whether there is collateral, if the
23 insurer has contractually agreed to allow the policyholder to
24 fund its own claims within the deductible amount pursuant to a
25 deductible agreement, through the policyholder's own
26 administration of its claims or through the policyholder
27 providing funds directly to a third-party administrator who
28 administers the claims, the receiver may allow such funding
29 arrangement to continue and, where applicable, shall enforce
30 such arrangements. The funding of such claims by the
31 policyholder within the deductible amount acts as a bar to any

1 claim for such amount in the liquidation proceeding,
2 including, but not limited to, any such claim by the
3 policyholder or the third-party claimant. The funding
4 extinguishes both the obligation, if any, of any guaranty
5 association to pay such claims within the deductible amount
6 and the obligations, if any, of the policyholder or
7 third-party administrator to reimburse the guaranty
8 association. No charge of any kind shall be made against any
9 guaranty association on the basis of the policyholder's
10 funding of claims payment made pursuant to the mechanism set
11 forth in this subsection.

12 (6) If the insurer has not contractually agreed to
13 allow the policyholder to fund the policyholder's own claims
14 within the deductible amount, to the extent a guaranty
15 association is required by applicable state law to pay any
16 claims for which the insurer would have been entitled to
17 reimbursement from the policyholder under the terms of the
18 deductible agreement and to the extent the claims have not
19 been paid by a policyholder or third party, the guaranty
20 association shall bill the policyholder for such reimbursement
21 and the policyholder is obligated to pay such amount to the
22 guaranty association for the benefit of the guaranty
23 associations who paid such claims. Neither the insolvency of
24 the insurer nor its inability to perform any of its
25 obligations under the deductible agreement shall be a defense
26 to the policyholder's reimbursement obligation under the
27 deductible agreement. If the policyholder fails to pay the
28 amounts due within 60 days after the bill for such
29 reimbursements is due, the receiver shall use the collateral
30 to the extent necessary to reimburse the guaranty association
31 and, at the same time, the guaranty association may pursue

1 other collection efforts against the policyholder. If more
2 than one guaranty association has a claim against the same
3 collateral and the available collateral, after allocation
4 under subsection (4), together with billing and collection
5 efforts, are together insufficient to pay each guaranty
6 association in full, the receiver shall prorate payments to
7 each guaranty association based upon the relationship the
8 amount of claims each guaranty association has paid bears to
9 the total of all claims paid by such guaranty associations.

10 (7)(a) The guaranty association is entitled to deduct
11 from collateral to be returned to a policyholder reasonable
12 actual expenses incurred in fulfilling the responsibilities
13 under this provision.

14 (b) With respect to claims payments made by any
15 guaranty association, the guaranty association shall provide
16 any other guaranty associations and the receiver with a
17 complete accounting of the guaranty association's deductible
18 billing and collection activities, including copies of the
19 policyholder billings when rendered and the reimbursements
20 collected. The cost of reports required pursuant to this
21 subsection shall be considered part of the expenses of the
22 guaranty association.

23 (c) The guaranty association may contract with the
24 receiver for the direct collection from the policyholders on
25 the same basis as the guaranty association and with the same
26 rights and remedies. If so assigned, the receiver shall report
27 any amounts so collected from each policyholder to the
28 guaranty association.

29 (d) To the extent that guaranty associations pay
30 claims within the deductible amount but are not reimbursed by
31 the receiver under this section or by policyholder payments

1 from the guaranty associations' own collection efforts, the
2 guaranty association shall have a claim on the insolvent
3 insurer's estate for such unreimbursed claims payments. The
4 priority of such claim shall depend upon the nature of the
5 payment that should have been reimbursed.

6 (e) Periodically, but not more than annually, the
7 receiver shall adjust the collateral being held pursuant to
8 the deductible agreement. The receiver shall maintain adequate
9 collateral to secure 110 percent of the entire estimated
10 obligation of the policyholder. The receiver shall provide a
11 copy of its collateral review to any obligated guaranty
12 association. Once all claims covered by the collateral have
13 been paid and the receiver is satisfied that no new claims can
14 be presented, the receiver may release any remaining
15 collateral.

16 (8) The state court that has jurisdiction over the
17 liquidation proceedings shall have jurisdiction to resolve
18 disputes arising under this section.

19 (9) Nothing in this section limits or adversely
20 affects any right the guaranty associations may have under
21 applicable state law to obtain reimbursement from certain
22 classes of policyholders for claims payments made by such
23 guaranty associations under policies of the insolvent insurer
24 or for related expenses the guaranty associations incur.

25 (10) This section applies to all liquidations for
26 which an order is entered after July 1, 2005.

27 (11) For purposes of this section, the term:

28 (a) "Deductible agreement" means any combination of
29 one or more policies, endorsements, contracts, or security
30 agreements that provide for the policyholder to bear the risk
31 of loss within a specified amount per claim or occurrence

1 covered under a policy of insurance, and that may be subject
2 to aggregate limit of policyholder reimbursement obligations.

3 (b) "Noncovered claim" means a claim that is subject
4 to a deductible agreement, may be secured by collateral, and
5 is not covered by a guaranty association.

6 (12) This section does not apply to first-party
7 claims.

8 Section 3. Subsection (3) of section 631.54, Florida
9 Statutes, is amended to read:

10 631.54 Definitions.--As used in this part:

11 (3) "Covered claim" means an unpaid claim, including
12 one of unearned premiums, which arises out of, and is within
13 the coverage, and not in excess of, the applicable limits of
14 an insurance policy to which this part applies, issued by an
15 insurer, if such insurer becomes an insolvent insurer and the
16 claimant or insured is a resident of this state at the time of
17 the insured event or the property from which the claim arises
18 is permanently located in this state. For entities other than
19 an individual, the residence of a claimant, insured, or
20 policyholder is the state in which the entity's principal
21 place of business is located at the time of the insured event.

22 "Covered claim" shall not include:

23 (a) Any amount due any reinsurer, insurer, insurance
24 pool, or underwriting association, sought directly or
25 indirectly through a third party, as subrogation,
26 contribution, indemnification, or otherwise; or

27 (b) Any claim that would otherwise be a covered claim
28 under this part that has been rejected by any other state
29 guaranty fund on the grounds that an insured's net worth is
30 greater than that allowed under that state's guaranty law.

31 Member insurers shall have no right of subrogation,

1 contribution, indemnification, or otherwise, sought directly
2 or indirectly through a third party, against the insured of
3 any insolvent member.

4 Section 4. Paragraph (a) of subsection (1), paragraph
5 (d) of subsection (2), and paragraph (a) of subsection (3) of
6 section 631.57, Florida Statutes, are amended to read:

7 631.57 Powers and duties of the association.--

8 (1) The association shall:

9 (a)1. Be obligated to the extent of the covered claims
10 existing:

11 a. Prior to adjudication of insolvency and arising
12 within 30 days after the determination of insolvency;

13 b. Before the policy expiration date if less than 30
14 days after the determination; or

15 c. Before the insured replaces the policy or causes
16 its cancellation, if she or he does so within 30 days of the
17 determination.

18 2.a. The obligation under subparagraph 1. shall
19 include only that amount of each covered claim which is in
20 excess of \$100 and is less than \$300,000, except with respect
21 to policies covering condominium associations or homeowners'
22 associations, which associations have a responsibility to
23 provide insurance coverage on residential units within the
24 association, the obligation shall include that amount of each
25 covered property insurance claim which is less than \$100,000
26 multiplied by the number of condominium units or other
27 residential units; however, as to homeowners' associations,
28 this ~~sub-subparagraph~~ ~~subparagraph~~ applies only to claims for
29 damage or loss to residential units and structures attached to
30 residential units.

31

1 b. Notwithstanding sub-subparagraph a., the
2 association has no obligation to pay covered claims that are
3 to be paid from the proceeds of bonds issued under s. 631.695.
4 However, the association shall assign and pledge the first
5 available moneys from all or part of the assessments
6 authorized in paragraph (3)(a) to or on behalf of the issuer
7 of such bonds for the benefit of the holders of such bonds.
8 The association shall administer any such covered claims and
9 present valid covered claims for payment in accordance with
10 the provisions of the assistance program in connection with
11 which such bonds have been issued.

12 3. In no event shall the association be obligated to a
13 policyholder or claimant in an amount in excess of the
14 obligation of the insolvent insurer under the policy from
15 which the claim arises.

16 (2) The association may:

17 (d) Negotiate and become a party to such contracts as
18 are necessary to carry out the purpose of this part.

19 Additionally, the association may enter into such contracts
20 with a municipality or county or such legal entity created
21 pursuant to s. 163.01(7)(g) as are necessary in order for the
22 municipality or county or such legal entity to issue bonds
23 under s. 631.695. In connection with the issuance of any such
24 bonds and the entering into of any such necessary contracts,
25 the association may agree to such terms and conditions as the
26 association deems necessary and proper.

27 (3)(a) To the extent necessary to secure the funds for
28 the respective accounts for the payment of covered claims, ~~and~~
29 ~~also~~ to pay the reasonable costs to administer the same, and
30 to the extent necessary to retire indebtedness, including,
31 without limitation, the principal, redemption premium, if any,

1 and interest on, and related costs of issuance of, bonds
2 issued under s. 631.695 and the funding of any reserves and
3 other payments required under the bond resolution or trust
4 indenture pursuant to which such bonds have been issued, the
5 office, upon certification of the board of directors, shall
6 levy assessments in the proportion that each insurer's net
7 direct written premiums in this state in the classes protected
8 by the account bears to the total of said net direct written
9 premiums received in this state by all such insurers for the
10 preceding calendar year for the kinds of insurance included
11 within such account. Assessments shall be remitted to and
12 administered by the board of directors in the manner specified
13 by the approved plan. Each insurer so assessed shall have at
14 least 30 days' written notice as to the date the assessment is
15 due and payable. Every assessment shall be made as a uniform
16 percentage applicable to the net direct written premiums of
17 each insurer in the kinds of insurance included within the
18 account in which the assessment is made. The assessments
19 levied against any insurer shall not exceed in any one year
20 more than 2 percent of that insurer's net direct written
21 premiums in this state for the kinds of insurance included
22 within such account during the calendar year next preceding
23 the date of such assessments.

24 Section 5. Section 631.695, Florida Statutes, is
25 created to read:

26 631.695 Revenue bond issuance through counties or
27 municipalities.--

28 (1) The Legislature finds:

29 (a) The potential for widespread and massive damage to
30 persons and property caused by hurricanes making landfall in
31 this state can generate insurance claims of such a number as

1 to render numerous insurers operating within this state
2 insolvent and therefore unable to satisfy covered claims.

3 (b) The inability of insureds within this state to
4 receive payment of covered claims or to receive such payment
5 timely creates financial and other hardships for such insureds
6 and places undue burdens on the state, the affected units of
7 local government, and the community at large.

8 (c) In addition, the failure of insurers to pay
9 covered claims or to pay such claims timely due to the
10 insolvency of such insurers can undermine the public's
11 confidence in insurers operating within this state, thereby
12 adversely affecting the stability of the insurance industry in
13 this state.

14 (d) The state has previously taken action to address
15 these problems by adopting the Florida Insurance Guaranty
16 Association Act, which, among other things, provides a
17 mechanism for the payment of covered claims under certain
18 insurance policies to avoid excessive delay in payment and to
19 avoid financial loss to claimants or policyholders because of
20 the insolvency of an insurer.

21 (e) In the wake of the unprecedented destruction
22 caused by various hurricanes that have made landfall in this
23 state, the resultant covered claims, and the number of
24 insurers rendered insolvent thereby, it is evident that
25 alternative programs must be developed to allow the Florida
26 Insurance Guaranty Association, Inc., to more expeditiously
27 and effectively provide for the payment of covered claims.

28 (f) It is therefore determined to be in the best
29 interests of, and necessary for, the protection of the public
30 health, safety, and general welfare of the residents of this
31 state, and for the protection and preservation of the economic

1 stability of insurers operating in this state, and it is
2 declared to be an essential public purpose, to permit certain
3 municipalities and counties to take such actions as will
4 provide relief to claimants and policyholders having covered
5 claims against insolvent insurers operating in this state by
6 expediting the handling and payment of covered claims.

7 (g) To achieve the foregoing purposes, it is proper to
8 authorize municipalities and counties of this state
9 substantially affected by the landfall of a category 1 or
10 greater hurricane to issue bonds to assist the Florida
11 Insurance Guaranty Association, Inc., in expediting the
12 handling and payment of covered claims of insolvent insurers.

13 (h) In order to avoid the needless and indiscriminate
14 proliferation, duplication, and fragmentation of such
15 assistance programs, it is in the best interests of the
16 residents of this state to authorize municipalities and
17 counties severely affected by a category 1 or greater
18 hurricane to provide for the payment of covered claims beyond
19 their territorial limits in the implementation of such
20 programs.

21 (i) It is a paramount public purpose for
22 municipalities and counties substantially affected by the
23 landfall of a category 1 or greater hurricane to be able to
24 issue bonds for the purposes described in this section. Such
25 issuance shall provide assistance to residents of those
26 municipalities and counties, as well as to other residents of
27 this state.

28 (2) The governing body of any municipality or county
29 the residents of which have been substantially affected by a
30 category 1 or greater hurricane may issue bonds to fund an
31 assistance program in conjunction with, and with the consent

1 of, the Florida Insurance Guaranty Association, Inc., for the
2 purpose of paying claimants' or policyholders' covered claims
3 as defined in s. 631.54 arising through the insolvency of an
4 insurer, which insolvency is determined by the Florida
5 Insurance Guaranty Association, Inc., to have been a result of
6 a category 1 or greater hurricane, regardless of whether such
7 claimants or policyholders are residents of such municipality
8 or county or the property to which such claim relates is
9 located within or outside the territorial jurisdiction of such
10 municipality or county. The power of a municipality or county
11 to issue bonds as described in this section is in addition to
12 any powers granted by law and may not be abrogated or
13 restricted by any provisions in such municipality's or
14 county's charter. A municipality or county issuing bonds for
15 this purpose shall enter into such contracts with the Florida
16 Insurance Guaranty Association, Inc., or any entity acting on
17 behalf of the Florida Insurance Guaranty Association, Inc., as
18 are necessary to implement the assistance program. Any bonds
19 issued by a municipality or county or combination thereof
20 under this subsection shall be payable from and secured by
21 moneys received by or on behalf of the municipality or county
22 from assessments levied under s. 631.57(3)(a) and assigned and
23 pledged to or on behalf of the municipality or county for the
24 benefit of the holders of such bonds in connection with such
25 assistance program. The funds, credit, property, and taxing
26 power of the state or any municipality or county shall not be
27 pledged for the payment of such bonds.

28 (3) The association shall issue an annual report on
29 the status of the use of bond proceeds as related to
30 insolvencies caused by hurricanes. The report must contain the
31 number and amount of claims paid. The association shall also

1 include an analysis of the revenue generated from the
2 assessment levied under s. 631.57(3)(a) to pay such bonds. The
3 association shall submit a copy of the report to the President
4 of the Senate, the Speaker of the House of Representatives,
5 and the Chief Financial Officer within 90 days after the end
6 of each calendar year in which bonds were outstanding.

7 (4) Bonds may be validated by such municipality or
8 county pursuant to chapter 75. The proceeds of such bonds may
9 be used to pay covered claims of insolvent insurers; to
10 refinance or replace previously existing borrowings or
11 financial arrangements; to pay interest on bonds; to fund
12 reserves for the bonds; to pay expenses incident to the
13 issuance or sale of any bond issued under this section,
14 including costs of validating, printing, and delivering the
15 bonds, costs of printing the official statement, costs of
16 publishing notices of sale of the bonds, costs of obtaining
17 credit enhancement or liquidity support, and related
18 administrative expenses; or for such other purposes related to
19 the financial obligations of the fund as the association may
20 determine. The term of the bonds may not exceed 30 years.

21 (5) The state covenants with holders of bonds of the
22 assistance program that the state will not take any action
23 which will have a material adverse affect on such holders and
24 will not repeal or abrogate the power of the board of
25 directors of the association to direct the Office of Insurance
26 Regulation to levy the assessments and to collect the proceeds
27 of the revenues pledged to the payment of such bonds as long
28 as any such bonds remain outstanding unless adequate provision
29 has been made for the payment of such bonds pursuant to the
30 documents authorizing the issuance of such bonds.
31

1 (6) The accomplishment of the authorized purposes of
2 such municipality or county under this section is in all
3 respects for the benefit of the people of the state, for the
4 increase of their commerce and prosperity, and for the
5 improvement of their health and living conditions. Such
6 municipality or county, in performing essential governmental
7 functions in accomplishing its purposes, is not required to
8 pay any taxes or assessments of any kind whatsoever upon any
9 property acquired or used by the county or municipality for
10 such purposes or upon any revenues at any time received by the
11 county or municipality. The bonds, notes, and other
12 obligations of such municipality or county, and the transfer
13 of and income from such bonds, notes, and other obligations,
14 including any profits made on the sale of such bonds, notes,
15 and other obligations, are exempt from taxation of any kind by
16 the state or by any political subdivision or other agency or
17 instrumentality of the state. The exemption granted in this
18 subsection is not applicable to any tax imposed by chapter 220
19 on interest, income, or profits on debt obligations owned by
20 corporations.

21 (7) Two or more municipalities or counties the
22 residents of which have been substantially affected by a
23 category 1 or greater hurricane may create a legal entity
24 pursuant to s. 163.01(7)(g) to exercise the powers described
25 in this section as well as those powers granted in s.
26 163.01(7)(g). Reference in this section to a municipality or
27 county includes such legal entity.

28 Section 6. No provision of section 631.57 or section
29 631.695, Florida Statutes, shall be repealed until such time
30 as the principal, redemption premium, if any, and interest on
31 all bonds issued under section 631.695, Florida Statutes,

1 payable and secured from assessments levied under section
2 631.57(3)(e), Florida Statutes, have been paid in full or
3 adequate provision for such payment has been made in
4 accordance with the bond resolution or trust indenture
5 pursuant to which such bonds were issued.

6 Section 7. If any provision of this act or the
7 application thereof to any person or circumstance is held
8 invalid, the invalidity shall not affect other provisions or
9 applications of the act which can be given effect without the
10 invalid provision or application, and to this end the
11 provisions of this act are declared severable.

12 Section 8. This act shall take effect upon becoming a
13 law.

14
15 STATEMENT OF SUBSTANTIAL CHANGES CONTAINED IN
16 COMMITTEE SUBSTITUTE FOR
17 Senate Bill 2184

18 The committee substitute provides the following changes:

- 19 o Deletes the provision allowing the Florida Insurance
20 Guaranty Association to impose an extra assessment of up
21 to 2 percent of premium against member insurers to fund a
22 bond insurance to cover claims of a hurricane-related
23 insolvency of an insurer and, instead, allows FIGA to
24 pledge part or all of the current maximum 2 percent
25 assessment for this purpose.
- 26 o Provides that a proof of claim form to seek recovery from
27 FIGA is not required if adequate claims file
28 documentation exists within the records of the insolvent
29 insurer, and is not required for payment of unearned
30 premium refunds.
- 31 o Requires the Department of Financial Services, as
receiver of an insolvent Florida insurer, to use any
collateral held by the insurer to secure a deductible
amount owed by the policyholder, to fund or reimburse
claims payments, rather than being considered part of the
estate of the insurer available to general creditors.