

By Senator Geller

31-785A-06

1                                   A bill to be entitled  
2           An act relating to insurance risk  
3           apportionment; amending s. 627.351, F.S.;  
4           requiring the board of governors of Citizens  
5           Property Insurance Corporation to certify  
6           deficits resulting from named hurricanes and  
7           tropical storms; requiring the Revenue  
8           Estimating Conference to determine net  
9           increases in tax revenues resulting from such  
10          impacts; directing the Chief Financial Officer  
11          to transfer moneys to the corporation from the  
12          General Revenue Fund in an amount up to such  
13          increase to offset such deficits; providing for  
14          disposition of amount of increase in excess of  
15          deficit; providing an effective date.

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

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19           Section 1. Paragraph (s) is added to subsection (6) of  
20 section 627.351, Florida Statutes, to read:

21           627.351 Insurance risk apportionment plans.--

22           (6) CITIZENS PROPERTY INSURANCE CORPORATION.--

23           (s)1. If, during any calendar year, the corporation  
24 sustains a deficit due to the impact of one or more named  
25 hurricanes or tropical storms, including any deficit that  
26 resulted from the impact of one or more named hurricanes or  
27 tropical storms during the previous calendar year but that was  
28 not realized until the current calendar year, the board of  
29 governors shall certify the amount of the deficit to the  
30 Revenue Estimating Conference by March 15 of the following  
31 calendar year.

1           2. The Revenue Estimating Conference shall, by July 1  
2 following such certification, estimate the net increased  
3 revenues accruing to the General Revenue Fund from taxes  
4 imposed under chapter 212 for the fiscal year during which the  
5 impact occurred and for the following fiscal year, which  
6 increase is attributable to such impact.

7           3.a. The Chief Financial Officer shall, by July 31  
8 following such certification, transfer from moneys in the  
9 General Revenue Fund to the corporation an amount equal to the  
10 increased revenues estimated by the Revenue Estimating  
11 Conference, but not more than the amount of the deficit  
12 certified by the board of governors. Moneys so transferred  
13 shall be used to offset assessments that would otherwise have  
14 been made against assessable insurers and insureds under this  
15 subsection.

16           b. If the increased revenues estimated under  
17 subparagraph 2. are greater than the certified deficit, the  
18 Chief Financial Officer shall transfer an amount equal to the  
19 remaining increased revenues from the General Revenue Fund to  
20 the Florida Hurricane Catastrophe Fund.

21           Section 2. This act shall take effect upon becoming a  
22 law.

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SENATE SUMMARY

In any calendar year in which the Citizens Property Insurance Corporation sustains a deficit due to the impact of one or more named hurricanes or tropical storms, the corporation board of governors shall certify the deficit to the Revenue Estimating Conference, which shall estimate the net sales tax increase due to that impact for the fiscal year of the impact and for the subsequent fiscal year. The Chief Financial Officer will transfer from the General Revenue Fund to the corporation an amount equal to the increase, but not more than the certified deficit, by the ensuing July 31 and transfer any remainder in excess of the deficit to the Florida Hurricane Catastrophe Fund.