

HOUSE MESSAGE SUMMARY

[2006s1620.hms]

BILL: CS/SB 1620
INTRODUCER: Banking and Insurance Committee and Senator Haridopolos
SUBJECT: Warranty Associations
PREPARED BY: Senate Committee on Banking and Insurance
DATE: April 24, 2006

I. Amendments Contained in Message:

House Amendment 1- 653671 (body with title)

II. Summary of Amendments Contained in Message:

House Amendment 1 exempts from licensure, as a motor vehicle service agreement company, an affiliate of a licensed motor vehicle service agreement company which is domiciled in Florida and uses contractual liability insurance to meet reserve requirements, if the affiliate does not issue or market motor vehicle service agreements to Florida residents and does not administer such agreements originally issued to Florida residents. The licensed motor vehicle service agreement company shall be liable for all actions by such exempt affiliates operating in Florida.

The fiscal impact of such licensure exemption is estimated to be insignificant by the Office of Insurance Regulation.