

1                                   A bill to be entitled  
 2           An act relating to the Florida Hurricane Catastrophe Fund;  
 3           amending s. 212.20, F.S.; providing for distribution of  
 4           certain revenues from the tax on sales, use, and other  
 5           transactions to the Florida Hurricane Catastrophe Fund;  
 6           amending s. 215.555, F.S.; redefining the term  
 7           "retention"; decreasing the threshold amount of loss above  
 8           which an insurer is entitled to reimbursement from the  
 9           fund; providing an effective date.

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

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13           Section 1. Paragraph (d) of subsection (6) of section  
 14 212.20, Florida Statutes, is amended to read:

15           212.20 Funds collected, disposition; additional powers of  
 16 department; operational expense; refund of taxes adjudicated  
 17 unconstitutionally collected.--

18           (6) Distribution of all proceeds under this chapter and s.  
 19 202.18(1)(b) and (2)(b) shall be as follows:

20           (d) The proceeds of all other taxes and fees imposed  
 21 pursuant to this chapter or remitted pursuant to s. 202.18(1)(b)  
 22 and (2)(b) shall be distributed as follows:

23           1. In any fiscal year, the greater of \$500 million, minus  
 24 an amount equal to 4.6 percent of the proceeds of the taxes  
 25 collected pursuant to chapter 201, or 5 percent of all other  
 26 taxes and fees imposed pursuant to this chapter or remitted  
 27 pursuant to s. 202.18(1)(b) and (2)(b) shall be deposited in  
 28 monthly installments into the General Revenue Fund.

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29           2. Two-tenths of one percent shall be transferred to the  
30 Ecosystem Management and Restoration Trust Fund to be used for  
31 water quality improvement and water restoration projects.

32           3. After the distribution under subparagraphs 1. and 2.,  
33 8.814 percent of the amount remitted by a sales tax dealer  
34 located within a participating county pursuant to s. 218.61  
35 shall be transferred into the Local Government Half-cent Sales  
36 Tax Clearing Trust Fund. Beginning July 1, 2003, the amount to  
37 be transferred pursuant to this subparagraph to the Local  
38 Government Half-cent Sales Tax Clearing Trust Fund shall be  
39 reduced by 0.1 percent, and the department shall distribute this  
40 amount to the Public Employees Relations Commission Trust Fund  
41 less \$5,000 each month, which shall be added to the amount  
42 calculated in subparagraph 4. and distributed accordingly.

43           4. After the distribution under subparagraphs 1., 2., and  
44 3., 0.095 percent shall be transferred to the Local Government  
45 Half-cent Sales Tax Clearing Trust Fund and distributed pursuant  
46 to s. 218.65.

47           5. After the distributions under subparagraphs 1., 2., 3.,  
48 and 4., 2.0440 percent of the available proceeds pursuant to  
49 this paragraph shall be transferred monthly to the Revenue  
50 Sharing Trust Fund for Counties pursuant to s. 218.215.

51           6. After the distributions under subparagraphs 1., 2., 3.,  
52 and 4., 1.3409 percent of the available proceeds pursuant to  
53 this paragraph shall be transferred monthly to the Revenue  
54 Sharing Trust Fund for Municipalities pursuant to s. 218.215. If  
55 the total revenue to be distributed pursuant to this  
56 subparagraph is at least as great as the amount due from the

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57 Revenue Sharing Trust Fund for Municipalities and the former  
58 Municipal Financial Assistance Trust Fund in state fiscal year  
59 1999-2000, no municipality shall receive less than the amount  
60 due from the Revenue Sharing Trust Fund for Municipalities and  
61 the former Municipal Financial Assistance Trust Fund in state  
62 fiscal year 1999-2000. If the total proceeds to be distributed  
63 are less than the amount received in combination from the  
64 Revenue Sharing Trust Fund for Municipalities and the former  
65 Municipal Financial Assistance Trust Fund in state fiscal year  
66 1999-2000, each municipality shall receive an amount  
67 proportionate to the amount it was due in state fiscal year  
68 1999-2000.

69 7. Of the remaining proceeds:

70 a. In each fiscal year, the sum of \$29,915,500 shall be  
71 divided into as many equal parts as there are counties in the  
72 state, and one part shall be distributed to each county. The  
73 distribution among the several counties shall begin each fiscal  
74 year on or before January 5th and shall continue monthly for a  
75 total of 4 months. If a local or special law required that any  
76 moneys accruing to a county in fiscal year 1999-2000 under the  
77 then-existing provisions of s. 550.135 be paid directly to the  
78 district school board, special district, or a municipal  
79 government, such payment shall continue until such time that the  
80 local or special law is amended or repealed. The state covenants  
81 with holders of bonds or other instruments of indebtedness  
82 issued by local governments, special districts, or district  
83 school boards prior to July 1, 2000, that it is not the intent  
84 of this subparagraph to adversely affect the rights of those

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85 holders or relieve local governments, special districts, or  
86 district school boards of the duty to meet their obligations as  
87 a result of previous pledges or assignments or trusts entered  
88 into which obligated funds received from the distribution to  
89 county governments under then-existing s. 550.135. This  
90 distribution specifically is in lieu of funds distributed under  
91 s. 550.135 prior to July 1, 2000.

92 b. The department shall distribute \$166,667 monthly  
93 pursuant to s. 288.1162 to each applicant that has been  
94 certified as a "facility for a new professional sports  
95 franchise" or a "facility for a retained professional sports  
96 franchise" pursuant to s. 288.1162. Up to \$41,667 shall be  
97 distributed monthly by the department to each applicant that has  
98 been certified as a "facility for a retained spring training  
99 franchise" pursuant to s. 288.1162; however, not more than  
100 \$416,670 may be distributed monthly in the aggregate to all  
101 certified facilities for a retained spring training franchise.  
102 Distributions shall begin 60 days following such certification  
103 and shall continue for not more than 30 years. Nothing contained  
104 in this paragraph shall be construed to allow an applicant  
105 certified pursuant to s. 288.1162 to receive more in  
106 distributions than actually expended by the applicant for the  
107 public purposes provided for in s. 288.1162(6).

108 c. Beginning 30 days after notice by the Office of  
109 Tourism, Trade, and Economic Development to the Department of  
110 Revenue that an applicant has been certified as the professional  
111 golf hall of fame pursuant to s. 288.1168 and is open to the  
112 public, \$166,667 shall be distributed monthly, for up to 300

113 months, to the applicant.

114 d. Beginning 30 days after notice by the Office of  
 115 Tourism, Trade, and Economic Development to the Department of  
 116 Revenue that the applicant has been certified as the  
 117 International Game Fish Association World Center facility  
 118 pursuant to s. 288.1169, and the facility is open to the public,  
 119 \$83,333 shall be distributed monthly, for up to 168 months, to  
 120 the applicant. This distribution is subject to reduction  
 121 pursuant to s. 288.1169. A lump sum payment of \$999,996 shall  
 122 be made, after certification and before July 1, 2000.

123 8. Of the remaining proceeds, 5 percent, plus an amount  
 124 equal to 5 percent of the amount deposited into the General  
 125 Revenue Fund under subparagraph 1., shall be deposited into the  
 126 Florida Hurricane Catastrophe Fund to be used for the purposes  
 127 established in s. 215.555.

128 ~~9.8-~~ All other proceeds shall remain with the General  
 129 Revenue Fund.

130 Section 2. Paragraph (e) of subsection (2) of section  
 131 215.555, Florida Statutes, is amended to read:

132 215.555 Florida Hurricane Catastrophe Fund.--

133 (2) DEFINITIONS.--As used in this section:

134 (e) "Retention" means the amount of losses below which an  
 135 insurer is not entitled to reimbursement from the fund. An  
 136 insurer's retention shall be calculated as follows:

137 1. The board shall calculate and report to each insurer  
 138 the retention multiples for that year. For the contract year  
 139 beginning June 1, 2007 ~~2005~~, the retention multiple shall be  
 140 equal to \$3 ~~\$4.5~~ billion divided by the total estimated

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141 reimbursement premium for the contract year; for subsequent  
142 years, the retention multiple shall be equal to \$3 ~~\$4.5~~ billion,  
143 adjusted based upon the reported exposure from the prior  
144 contract year to reflect the percentage growth in exposure to  
145 the fund for covered policies since 2006 ~~2004~~, divided by the  
146 total estimated reimbursement premium for the contract year.  
147 Total reimbursement premium for purposes of the calculation  
148 under this subparagraph shall be estimated using the assumption  
149 that all insurers have selected the 90-percent coverage level.

150 2. The retention multiple as determined under subparagraph  
151 1. shall be adjusted to reflect the coverage level elected by  
152 the insurer. For insurers electing the 90-percent coverage  
153 level, the adjusted retention multiple is 100 percent of the  
154 amount determined under subparagraph 1. For insurers electing  
155 the 75-percent coverage level, the retention multiple is 120  
156 percent of the amount determined under subparagraph 1. For  
157 insurers electing the 45-percent coverage level, the adjusted  
158 retention multiple is 200 percent of the amount determined under  
159 subparagraph 1.

160 3. An insurer shall determine its provisional retention by  
161 multiplying its provisional reimbursement premium by the  
162 applicable adjusted retention multiple and shall determine its  
163 actual retention by multiplying its actual reimbursement premium  
164 by the applicable adjusted retention multiple.

165 4. For insurers who experience multiple covered events  
166 causing loss during the contract year, beginning June 1, 2007  
167 ~~2005~~, each insurer's full retention shall be applied to each of  
168 the covered events causing the two largest losses for that

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169 insurer. For each other covered event resulting in losses, the  
170 insurer's retention shall be reduced to one-third of the full  
171 retention. The reimbursement contract shall provide for the  
172 reimbursement of losses for each covered event based on the full  
173 retention with adjustments made to reflect the reduced  
174 retentions after January 1 of the contract year provided the  
175 insurer reports its losses as specified in the reimbursement  
176 contract.

177 Section 3. This act shall take effect June 1, 2007.