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CHAMBER ACTION

<u>Senate</u>	.	<u>House</u>
Comm: RCS	.	
4/1/2008	.	
	.	
	.	

1 The Committee on Banking and Insurance (Gaetz) recommended the
 2 following **amendment**:

3
 4 **Senate Amendment (with title amendment)**

5 Delete everything after the enacting clause
 6 and insert:

7 Section 1. Subsection (5) of section 624.4621, Florida
 8 Statutes, is amended to read:

9 624.4621 Group self-insurance funds.--

10 (5) A dividend or premium refund of any self-insurer
 11 established under this section, otherwise earned, may not be made
 12 contingent upon continued membership in the fund, renewal of any
 13 policy, or the payment of renewal premiums for membership in the
 14 fund or on any policy issued by such self-insurer.

15 (a) For any self-insurer licensed under this section before
 16 June 1, 2008, the board of trustees of the self-insurer may
 17 declare any moneys in excess of the amount necessary to fund all

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18 obligations of the self-insurer as refundable to the members or
19 policyholders of the self-insurer. The board of trustees may
20 distribute such dividends or premium refunds at the board's
21 discretion, in accordance with the agreement establishing the
22 self-insurer and subject to the following limitations:

23 1. The amount of the distribution may not exceed the total
24 sum of the dividends declared and unpaid to policyholders and
25 unassigned funds as recorded on the most recently completed
26 audited financial statements of the self-insurer.

27 2. The payment of the dividend or premium refund may not
28 jeopardize the financial condition of the self-insurer or result
29 in the self-insurer having a negative unassigned funds balance.

30 3. Notice of the dividend shall be submitted to the office
31 no later than 10 days after the date on which payment of a
32 dividend or premium refund is made.

33 (b) For any self-insurer licensed under this section after
34 June 1, 2008, such self-insurer must receive prior written
35 approval from the office for any dividend or premium refunds
36 during its first 7 years of operation.

37 (c) The notice or request submitted to the office for a
38 dividend must contain ~~Before making any dividend or premium~~
39 ~~refund, the group self-insurer shall submit to the office the~~
40 following information:

41 1.(a) ~~An~~ Audited ~~certified~~ financial statements as of the
42 most recently completed fund year ~~statement.~~

43 2.(b) ~~An~~ Annual evaluations of loss reserves by a qualified
44 independent actuary as of the most recently completed fund year
45 report of financial condition.

46 ~~(c) A loss reserve review by a qualified actuary.~~



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47 (d) If a self-insurer does not make or declare a dividend
 48 or member distribution payable during a given fund year, the
 49 required information listed in paragraph (c) paragraphs (a)-(e)
 50 shall be submitted annually, no later than 7 months after the end
 51 of the group self-insurer's fund year. A request for such
 52 dividend or premium refund may not be made before the required
 53 information is filed.

54 (e) The notice or request submitted to the office request
 55 for such dividend or premium refund must include a resolution of
 56 the board of trustees of the group self-insurer stating the
 57 requesting approval of a specific amount that has been paid or
 58 that is sought to be paid to the members or policyholders to be
 59 distributed. A dividend, premium refund, or premium discount or
 60 credit must not discriminate on the basis of continued coverage
 61 or continued membership in the group self-insurer. ~~The office~~
 62 ~~shall review the request and shall issue a decision within 60~~
 63 ~~days after the filing. Failure to issue a decision within 60 days~~
 64 ~~constitutes an approval of the request.~~ Any dividend or premium
 65 refund that approved by the office for distribution which cannot
 66 be paid to the applicable member or policyholder or former member
 67 or policyholder of the group self-insurer because the former
 68 member or policyholder cannot be reasonably located becomes shall
 69 ~~become~~ the property of the group self-insurer.

70 (f) The office shall issue a decision within 60 days after
 71 receiving a request for a dividend or premium refund.

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

73
 74 ===== T I T L E A M E N D M E N T =====

75 And the title is amended as follows:

76 Delete everything before the enacting clause

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77 | and insert:

78 | A bill to be entitled
79 | An act relating to group self-insurance funds; amending
80 | s. 624.4621, F.S.; authorizing the board of trustees of
81 | certain self-insurers to declare any moneys in excess of
82 | the amount necessary to fund all obligations of the
83 | self-insurer as refundable to the members or
84 | policyholders of the self-insurer; authorizing the board
85 | to distribute such dividends or premium refunds at the
86 | board's discretion, in accordance with the agreement
87 | establishing the self-insurer; providing limitations;
88 | requiring that such self-insurers receive prior written
89 | approval from the office for any dividend or premium
90 | refunds during a specified period after such self-
91 | insurers commence operations; requiring that a notice or
92 | request for refund contain certain information;
93 | providing for the submission of certain information to
94 | the Office of Insurance Regulation if a self-insurer
95 | does not make or declare a dividend or member
96 | distribution payable during a given fund year; requiring
97 | that the office issue a decision within a specified
98 | period after receiving a request; providing an effective
99 | date.