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LEGISLATIVE ACTION

Senate	.	House
Comm: RCS	.	
04/06/2009	.	
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The Committee on Higher Education (Pruitt) recommended the following:

Senate Amendment (with title amendment)

Delete lines 18 - 82
and insert:

Section 1. Subsection (11) is added to section 624.4621, Florida Statutes, to read:

624.4621 Group self-insurance funds.—

(11) Notwithstanding any other provision of law, each application for workers' compensation coverage issued by a group



823952

12 self-insurance fund established under this section must contain
13 in boldface and in not less than 10-point type, the following
14 statement: "This is a fully assessable policy. If the fund is
15 unable to pay its obligations, policyholders must contribute, on
16 a pro rata earned premium basis, the money necessary to meet any
17 unfilled obligations." If the application is signed by the
18 applicant, the applicant is deemed to have made an informed,
19 knowing acceptance of the assessment liability that exists as a
20 result of participation in the fund.

21 Section 2. Section 624.4626, Florida Statutes, is created
22 to read:

23 624.4626 Electric cooperative self-insurance funds.-

24 (1) Notwithstanding any other provision of law, any two or
25 more electric cooperatives organized pursuant to chapter 425 may
26 operate a self-insurance fund for the purpose of pooling and
27 spreading liabilities of group members in securing the payment
28 of benefits under chapter 440. A self-insurance fund established
29 under this section must:

30 (a) Require that every member of the fund be jointly and
31 severally liable for the obligations of the fund;

32 (b) Maintain a continuing program of excess insurance
33 coverage and reserve evaluation to protect the financial
34 stability of the fund in an amount and manner determined by a
35 qualified and independent actuary;

36 (c) Subscribe to, or be a member of, a rating organization
37 as prescribed in s. 627.231;

38 (d) Employ an independent certified public accountant to
39 complete an audit of its fiscal year-end financial statement
40 within 6 months after the end of the fiscal year;



823952

41 (e) Have a governing body comprised of a representative
42 from each member of the fund;

43 (f) Limit membership in the fund to electric cooperatives
44 operating in this state, their subsidiaries, and the current
45 members of the Florida Rural Electric Self-Insurer's Fund; and

46 (g) Provide members of the fund, at renewal, a disclosure
47 statement notifying the members that the fund is not regulated
48 by the Office of insurance Regulation.

49 (2) A self-insurance fund meeting the requirements of this
50 section is subject to the assessments set forth in s.
51 624.4621(7) and is subject to the assessments set forth in
52 ss.440.49(9) and 440.51(1), but is not subject to any other
53 provision of s. 624.4621 and is not required to file any report
54 with the department under s. 440.38(2)(b) which is uniquely
55 required of group self-insurer funds qualified under s.
56 624.4621.

57
58 ===== T I T L E A M E N D M E N T =====

59 And the title is amended as follows:

60 Delete lines 2 - 11

61 and insert:

62
63 An act relating to self-insurance funds; amending s. 624.4621,
64 F.S.; requiring an application for workers' compensation
65 coverage issued by a group self-insurance fund to notify
66 applicants that policyholders must make additional contributions
67 to the fund if the fund is unable to pay its obligations;
68 creating s. 624.4626, F.S.; authorizing any two or more electric
69 cooperatives to operate a self-insurance fund for certain



823952

70 purposes; providing for membership in the fund; requiring that
71 the fund fulfill certain criteria; providing for the
72 applicability of certain assessments and certain provisions of
73 state law to such a fund; amending