

1 A bill to be entitled
 2 An act relating to self-insurance funds; creating s.
 3 624.4626, F.S.; authorizing certain electric cooperatives
 4 to operate a self-insurance fund for certain purposes;
 5 providing requirements; subjecting such funds to certain
 6 assessments; exempting such funds from certain group self-
 7 insurance fund requirements under certain circumstances;
 8 amending s. 631.904, F.S.; revising the definition of
 9 "self-insurance fund" under the Florida Workers'
 10 Compensation Insurance Guaranty Association Act to exclude
 11 certain types of self-insurance funds; providing an
 12 effective date.

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

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 16 Section 1. Section 624.4626, Florida Statutes, is created
 17 to read:

18 624.4626 Electric cooperative self-insurance fund.--

19 (1) Notwithstanding any other provision of law, any two or
 20 more electric cooperatives organized pursuant to chapter 425 may
 21 operate a self-insurance fund for the purpose of pooling and
 22 spreading liabilities of its group members in securing the
 23 payment of benefits under chapter 440, provided the self-
 24 insurance fund must:

25 (a) Require that every member of the fund is jointly and
 26 severally liable for the obligations of the fund.

27 (b) Maintain a continuing program of excess insurance
 28 coverage and reserve evaluation to protect the financial

29 stability of the fund in an amount and manner determined by a
 30 qualified and independent actuary.

31 (c) Subscribe to, or be a member of, a rating organization
 32 as prescribed in s. 627.231.

33 (d) Have its year-end financial statement audited by an
 34 independent certified public accountant within 6 months after
 35 the end of the fiscal year.

36 (e) Have a governing body which is comprised of a
 37 representative from each member of the fund.

38 (f) Limit membership in the fund to electric cooperatives
 39 that operate in this state, their subsidiaries, and the current
 40 members of the Florida Rural Electric Self-Insurer's Fund.

41 (g) At renewal, provide the members of the fund a
 42 disclosure statement that notifies the members that the fund is
 43 not regulated by the office.

44 (2) A self-insurance fund that meets the requirements of
 45 this section is subject to the assessments set forth in s.
 46 624.4621(7), but is not subject to any other provision of s.
 47 624.4621 and is not required to file any report with the
 48 department under s. 440.38(2)(b) which is uniquely required of
 49 group self-insurer funds qualified under s. 624.4621.

50 Section 2. Subsection (6) of section 631.904, Florida
 51 Statutes, is amended to read:

52 631.904 Definitions.--As used in this part, the term:

53 (6) "Self-insurance fund" means a group self-insurance
 54 fund authorized under s. 624.4621, a commercial self-insurance
 55 fund writing workers' compensation insurance authorized under s.
 56 624.462, or an assessable mutual insurer authorized under s.

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57 628.6011. For purposes of this act, the term "self-insurance
58 fund" does not include a qualified local government self-
59 insurance fund, as defined in s. 624.4622, an independent
60 educational institution self-insurance fund as defined in s.
61 624.4623, an electric cooperative self-insurance fund as
62 described in s. 624.4626, or an individual self-insurer as
63 defined in s. 440.385.

64 Section 3. This act shall take effect July 1, 2009.