



367050

LEGISLATIVE ACTION

Senate	.	House
Comm: WD	.	
04/07/2010	.	
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The Committee on Banking and Insurance (Richter) recommended the following:

Senate Amendment (with title amendment)

Delete lines 258 - 292
and insert:

3.4. Emergency assessments under this paragraph are not premium and are not subject to the premium tax, to any fees, or to any commissions. An insurer is liable for all emergency assessments that the insurer collects and shall treat the failure of an insured to pay an emergency assessment as a failure to pay the premium. An insurer is not liable for uncollectible emergency assessments.

(f) The recoupment factor applied to policies in accordance



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13 with paragraph (c) shall be selected by the insurer or insurer
14 group so as to provide for the probable recoupment of both
15 regular and emergency assessments over a period of 12 months,
16 unless the insurer or insurer group, at its option, elects to
17 recoup the assessment over a longer period. The recoupment
18 factor shall apply to all policies of the same kind, line, or
19 type as were considered by the office in determining the
20 assessment liability of the insurer or insurer group issued or
21 renewed during a 12-month period. If the insurer or insurer
22 group does not collect the full amount of the assessment during
23 one 12-month period, the insurer or insurer group may apply
24 recalculated recoupment factors to policies issued or renewed
25 during one or more succeeding 12-month periods. If, at the end
26 of a 12-month period, the insurer or insurer group has collected
27 from the combined kinds, lines, or types of policies subject to
28 assessment more than the total amount of the assessment paid by
29 the insurer or insurer group, the excess amount shall be
30 disbursed as follows:

31 1. If the excess amount does not exceed 15 percent of the
32 total assessment paid by the insurer or insurer group, the
33 excess amount shall be remitted to the association within 60
34 days after the end of the 12-month period in which the excess
35 recoupment charges were collected.

36 2. If the excess amount exceeds 15 percent of the total
37 assessment paid by the insurer or insurer group, the excess
38 amount shall be returned to the insurer's or insurer group's
39 current policyholders by refunds or premium credits. The
40 association shall use any remitted excess recoupment amounts to
41 reduce future assessments.



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42 (g) Amounts recouped pursuant to this subsection for
43 assessments levied under paragraph (a) due to insolvencies on or
44 after July 1, 2010, are considered premium solely for premium
45 tax purposes and are not subject to fees or commissions.
46 However, insurers shall treat the failure of an insured to pay a
47 recoupment charge as a failure to pay the premium.

48
49 ===== T I T L E A M E N D M E N T =====

50 And the title is amended as follows:

51 Delete lines 13 - 14

52 and insert:

53 intent; providing