

HB 4095

2011

1 A bill to be entitled
 2 An act relating to workers' compensation and employer's
 3 liability insurance; amending s. 627.311, F.S.; deleting a
 4 provision prohibiting an insurer from providing certain
 5 types of insurance to persons or their affiliates if
 6 certain payments to the joint underwriting plan operating
 7 as the Florida Workers' Compensation Joint Underwriting
 8 Association, Inc., are delinquent; providing an effective
 9 date.

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

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13 Section 1. Paragraphs (t), (u), (v), and (w) of subsection
 14 (5) of section 627.311, Florida Statutes, are amended to read:

15 627.311 Joint underwriters and joint reinsurers; public
 16 records and public meetings exemptions.—

17 (5)

18 ~~(t) No insurer shall provide workers' compensation and~~
 19 ~~employer's liability insurance to any person who is delinquent~~
 20 ~~in the payment of premiums, assessments, penalties, or~~
 21 ~~surcharges owed to the plan or to any person who is an~~
 22 ~~affiliated person of a person who is delinquent in the payment~~
 23 ~~of premiums, assessments, penalties, or surcharges owed to the~~
 24 ~~plan. For purposes of this paragraph, the term "affiliated~~
 25 ~~person" of another person means:~~

26 ~~1. The spouse of such other natural person;~~

27 ~~2. Any person who directly or indirectly owns or controls,~~
 28 ~~or holds with the power to vote, 5 percent or more of the~~

29 ~~outstanding voting securities of such other person;~~

30 ~~3. Any person who directly or indirectly owns 5 percent or~~
 31 ~~more of the outstanding voting securities that are directly or~~
 32 ~~indirectly owned or controlled, or held with the power to vote,~~
 33 ~~by such other person;~~

34 ~~4. Any person or group of persons who directly or~~
 35 ~~indirectly control, are controlled by, or are under common~~
 36 ~~control with such other person;~~

37 ~~5. Any officer, director, trustee, partner, owner,~~
 38 ~~manager, joint venturer, or employee, or other person performing~~
 39 ~~duties similar to persons in those positions, of such other~~
 40 ~~persons; or~~

41 ~~6. Any person who has an officer, director, trustee,~~
 42 ~~partner, or joint venturer in common with such other person.~~

43 (t)~~(u)~~ Effective July 1, 2004, the plan is exempt from the
 44 premium tax under s. 624.509 and any assessments under ss.
 45 440.49 and 440.51.

46 (u)~~(v)~~ The Office of Insurance Regulation shall perform a
 47 comprehensive market conduct examination of the plan
 48 periodically to determine compliance with its plan of operation
 49 and internal operating policies and procedures.

50 (v)~~(w)~~ Upon dissolution, the assets of the plan shall be
 51 applied first to pay all debts, liabilities, and obligations of
 52 the plan, including the establishment of reasonable reserves for
 53 any contingent liabilities or obligations, and all remaining
 54 assets of the plan shall become property of the state and shall
 55 be deposited in the Workers' Compensation Administration Trust
 56 Fund. However, dissolution may not take effect as long as the

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57 | plan has financial obligations outstanding unless adequate
58 | provision has been made for the payment of financial obligations
59 | pursuant to the documents authorizing the financial obligations.

60 | Section 2. This act shall take effect July 1, 2011.