



LEGISLATIVE ACTION

Senate	.	House
	.	
	.	
Floor: 1/AD/3R	.	Floor: SENAl/CA
04/25/2014 03:05 PM	.	05/01/2014 06:58 PM
	.	

Senator Smith moved the following:

Senate Amendment (with title amendment)

Delete everything after the enacting clause
and insert:

Section 1. Section 400.996, Florida Statutes, is created to
read:

400.996 Enforcement contracts.—The agency may contract with
counties to enforce the Health Care Clinic Act and rules adopted
thereunder for clinics that are required to be licensed under
this part and that receive reimbursement for services under the
Florida Motor Vehicle No-Fault Law. A contracting county must



12 directly enforce the state law and not through enforcement of
13 applicable locally adopted ordinances. A contracting county
14 shall report alleged violations of the act or part II of chapter
15 408 to the agency with supporting documentation. The agency
16 shall review the allegations and documentation and determine
17 whether such violations have occurred for the purposes of s.
18 400.995 and chapter 120. The agency shall provide the county
19 with the results of its initial review and its intended action
20 within 10 business days after receiving the report. Thereafter,
21 the agency shall provide notice to the county of any agency
22 action regarding the alleged violations within 5 business days
23 after such action.

24 Section 2. Paragraphs (b) and (c) of subsection (9) of
25 section 440.49, Florida Statutes, are amended to read:

26 440.49 Limitation of liability for subsequent injury
27 through Special Disability Trust Fund.—

28 (9) SPECIAL DISABILITY TRUST FUND.—

29 (b)~~1~~. The Special Disability Trust Fund shall be maintained
30 by annual assessments upon ~~the~~ insurance companies writing
31 compensation insurance in this ~~the~~ state, ~~the~~ commercial self-
32 insurers under ss. 624.462 and 624.4621, ~~the~~ assessable mutuals
33 as defined in s. 628.6011, and ~~the~~ self-insurers under this
34 chapter, which assessments ~~shall~~ become due and must be paid
35 quarterly at the same time and in addition to the assessments
36 provided under ~~in~~ s. 440.51.

37 1. Pursuant to this paragraph, the department shall
38 ~~estimate~~ annually estimate in advance the amount necessary for
39 the administration of this subsection and the maintenance of the
40 ~~this fund and shall make such assessment in the manner~~



41 ~~hereinafter provided.~~ By July 1 of each year, the department
42 shall calculate the assessment rate, which must be based on the
43 net premiums written by carriers and self-insurers, the amount
44 of premiums calculated by the department for self-insured
45 employers, the sum of the anticipated disbursements and expenses
46 of the fund for the next calendar year, and the expected fund
47 balance for the next calendar year. Such assessment rate shall
48 take effect January 1 of the next calendar year. Such amount
49 shall be prorated among insurance companies writing workers'
50 compensation insurance in the state, self-insurers, and self-
51 insured employers.

52 2. A reimbursement request that has been approved but
53 remains unpaid as of June 30, 2014, must be paid by October 31,
54 2014. The annual assessment shall be calculated to produce
55 during the next calendar year an amount which, when combined
56 with that part of the balance anticipated to be in the fund on
57 December 31 of the current calendar year which is in excess of
58 \$100,000, is equal to the average of:

59 a. The sum of disbursements from the fund during the
60 immediate past 3 calendar years, and

61 b. Two times the disbursements of the most recent calendar
62 year.

63 e. Such assessment rate shall first apply on a calendar
64 year basis for the period beginning January 1, 2012, and shall
65 be included in workers' compensation rate filings approved by
66 the office which become effective on or after January 1, 2012.
67 The assessment rate effective January 1, 2011, shall also apply
68 to the interim period from July 1, 2011, through December 31,
69 2011, and shall be included in workers' compensation rate



70 ~~filings, whether regular or amended, approved by the office~~
71 ~~which become effective on or after July 1, 2011. Thereafter, the~~
72 ~~annual assessment rate shall take effect January 1 of the next~~
73 ~~calendar year and shall be included in workers' compensation~~
74 ~~rate filings approved by the office which become effective on or~~
75 ~~after January 1 of the next calendar year. Assessments shall~~
76 ~~become due and be paid quarterly.~~

77
78 ~~Such amount shall be prorated among the insurance companies~~
79 ~~writing compensation insurance in the state and the self-~~
80 ~~insurers.~~

81 ~~3. The net premiums written by the companies for workers'~~
82 ~~compensation in this state and the net premium written~~
83 ~~applicable to the self-insurers in this state are the basis for~~
84 ~~computing the amount to be assessed as a percentage of net~~
85 ~~premiums. Such payments shall be made by each carrier and self-~~
86 ~~insurer to the department for the Special Disability Trust Fund~~
87 ~~in accordance with such regulations as the department~~
88 ~~prescribes.~~

89 3.4. The Chief Financial Officer is authorized to receive
90 and shall credit to the ~~such~~ Special Disability Trust fund any
91 ~~sum or~~ sums that may ~~at any time~~ be contributed to the state by
92 the United States under an ~~any~~ Act of Congress, or otherwise, to
93 which the state is ~~may be or become~~ entitled by reason of ~~any~~
94 payments made out of the ~~such~~ fund.

95 (c) Notwithstanding the ~~Special Disability Trust~~ fund
96 assessment rate calculated pursuant to paragraph (b) ~~this~~
97 ~~section~~, the rate assessed may ~~shall~~ not exceed 2.5 ~~4.52~~
98 percent.



99 Section 3. Subsection (1) of section 624.425, Florida
100 Statutes, is amended to read:

101 624.425 Agent countersignature required, property,
102 casualty, surety insurance.-

103 (1) Except as stated in s. 624.426, no authorized property,
104 casualty, or surety insurer shall assume direct liability as to
105 a subject of insurance resident, located, or to be performed in
106 this state unless the policy or contract of insurance is issued
107 by or through, and is countersigned by, an agent who is
108 regularly commissioned and licensed currently as an agent and
109 appointed as an agent for the insurer under this code. However,
110 the absence of a countersignature does not affect the validity
111 of the policy or contract. If two or more authorized insurers
112 issue a single policy of insurance against legal liability for
113 loss or damage to person or property caused by a ~~the~~ nuclear
114 energy hazard, or a single policy insuring against loss or
115 damage to property by radioactive contamination, whether or not
116 also insuring against one or more other perils that may be
117 insured ~~proper to insure~~ against in this state, such policy if
118 otherwise lawful may be countersigned on behalf of all of the
119 insurers by a licensed and appointed agent of the ~~any~~ insurer
120 appearing thereon. The producing agent shall receive on each
121 policy or contract the full and usual commission allowed and
122 paid by the insurer to its agents on business written or
123 transacted by them for the insurer.

124 Section 4. Subsection (2) of section 627.902, Florida
125 Statutes, is amended to read:

126 627.902 Premium financing by an insurer or subsidiary.-

127 (2) ~~Nothing in~~ This part or ~~in~~ part XV of this chapter does



128 not disallow ~~disallows~~ or otherwise apply ~~applies~~ to:

129 (a) Installment payment arrangements offered by an insurer
130 if such arrangements do not involve the advancement of funds
131 which would constitute financing and do not exceed the service
132 charges provided under s. 627.901; or

133 (b) A discount for an ~~any~~ insured who pays the entire
134 premium for the entire policy term at the inception of the term
135 if the discount is found to be actuarially justified by the
136 office and approved by the office pursuant to ~~the provisions of~~
137 part I of this chapter. Such actuarially justified and approved
138 discount may ~~shall~~ not be deemed a component of or related to
139 premium financing.

140 Section 5. Subsection (2) of section 627.94072, Florida
141 Statutes, is amended to read:

142 627.94072 Mandatory offers.—

143 (2) An insurer that offers a long-term care insurance
144 policy, certificate, or rider in this state shall ~~must~~ offer a
145 nonforfeiture protection provision providing reduced paid-up
146 insurance, extended term, shortened benefit period, or ~~any~~ other
147 benefit ~~benefits~~ approved by the office if all or part of a
148 premium is not paid. A nonforfeiture provision may also be
149 offered in the form of a return of premium on the death of the
150 insured, or on the complete surrender or cancellation of the
151 policy or contract. Nonforfeiture benefits and any additional
152 premium for such benefits must be computed in an actuarially
153 sound manner, using a methodology that has been filed with and
154 approved by the office.

155 Section 6. Section 629.271, Florida Statutes, is amended to
156 read:



157 629.271 Distribution of savings.-

158 (1) A reciprocal insurer may ~~from time to time~~ return to
159 its subscribers any unused premiums, savings, or credits
160 accruing to their accounts. ~~Any~~ Such distribution may ~~shall~~ not
161 unfairly discriminate between classes of risks, or policies, or
162 between subscribers, but ~~such distribution~~ may vary as to
163 classes of subscribers based on ~~upon~~ the experience of such
164 classes.

165 (2) In addition to the option provided in subsection (1), a
166 domestic reciprocal insurer may, upon the prior written approval
167 of the office, pay to its subscribers a portion of unassigned
168 funds of up to 10 percent of surplus with distribution limited
169 to 50 percent of net income from the previous calendar year.
170 Such distribution may not unfairly discriminate between classes
171 of risks, or policies, or between subscribers, but may vary as
172 to classes of subscribers based on the experience of such
173 classes.

174 Section 7. Subsections (2) through (9) of section 631.54,
175 Florida Statutes, are renumbered as subsections (3) through
176 (10), respectively, and a new subsection (2) is added to that
177 section to read:

178 631.54 Definitions.—As used in this part, the term:

179 (2) "Assessment year" means the 12-month period, which may
180 begin on the first day of any calendar quarter, whether January
181 1, April 1, July 1, or October 1, as specified in an order
182 issued by the office directing insurers to pay an assessment to
183 the association. Upon entry of the order, insurers may begin
184 collecting assessments from policyholders for the assessment
185 year.



186 Section 8. Subsections (3) and (4) of section 631.57,
187 Florida Statutes, are amended to read:
188 631.57 Powers and duties of the association.—
189 (3) (a) To the extent necessary to secure ~~the~~ funds for the
190 respective accounts for the payment of covered claims, to pay
191 the reasonable costs to administer such accounts ~~the same~~, and
192 ~~to the extent necessary~~ to secure ~~the~~ funds for the account
193 specified in s. 631.55(2) (b) or to retire indebtedness,
194 including, without limitation, the principal, redemption
195 premium, if any, and interest on, and related costs of issuance
196 of, bonds issued under s. 631.695 and the funding of ~~any~~
197 reserves and other payments required under the bond resolution
198 or trust indenture pursuant to which such bonds have been
199 issued, the office, upon certification of the board of
200 directors, shall levy assessments initially estimated in the
201 proportion that each insurer's net direct written premiums in
202 this state in the classes protected by the account bears to the
203 total of said net direct written premiums received in this state
204 by all such insurers for the preceding calendar year for the
205 kinds of insurance included within such account. Assessments
206 shall be remitted to and administered by the board of directors
207 in the manner specified by the approved plan and paragraph (f).
208 Each insurer so assessed shall have at least 30 days' written
209 notice as to the date the initial assessment payment is due and
210 payable. Every assessment shall be ~~made as~~ a uniform percentage
211 applicable to the net direct written premiums of each insurer in
212 the kinds of insurance included within the account in which the
213 assessment is made. The assessments levied against any insurer
214 may ~~shall~~ not exceed in any one year more than 2 percent of that



215 insurer's net direct written premiums in this state for the
216 kinds of insurance included within such account during the
217 calendar year next preceding the date of such assessments.

218 (b) If sufficient funds from such assessments, together
219 with funds previously raised, are not available in any one year
220 in the respective account to make all the payments or
221 reimbursements then owing to insurers, the funds available shall
222 be prorated and the unpaid portion ~~shall be~~ paid as soon
223 ~~thereafter~~ as funds become available.

224 (c) The Legislature finds and declares that all assessments
225 paid by an insurer or insurer group as a result of a levy by the
226 office, including assessments levied pursuant to paragraph (a)
227 and emergency assessments levied pursuant to paragraph (e),
228 constitute advances of funds from the insurer to the
229 association. An insurer may fully recoup such advances by
230 applying the uniform assessment percentage levied by the office
231 to all a separate recoupment factor to the premium of policies
232 of the same kind or line as were considered by the office in
233 determining the assessment liability of the insurer or insurer
234 group as set forth in paragraph (f).

235 1. Assessments levied under subparagraph (f)1. are paid
236 before policy surcharges are collected and result in a
237 receivable for policy surcharges collected in the future. This
238 amount, to the extent it is likely that it will be realized,
239 meets the definition of an admissible asset as specified in the
240 National Association of Insurance Commissioners' Statement of
241 Statutory Accounting Principles No. 4. The asset shall be
242 established and recorded separately from the liability
243 regardless of whether it is based on a retrospective or



244 prospective premium-based assessment. If an insurer is unable to
245 fully recoup the amount of the assessment because of a reduction
246 in writings or withdrawal from the market, the amount recorded
247 as an asset shall be reduced to the amount reasonably expected
248 to be recouped.

249 2. Assessments levied under subparagraph (f)2. are paid
250 after policy surcharges are collected so that the recognition of
251 assets is based on actual premium written offset by the
252 obligation to the association.

253 (d) ~~No~~ State funds may not ~~of any kind shall~~ be allocated
254 or paid to the said association or any of its accounts.

255 (e)1.a. In addition to assessments ~~otherwise~~ authorized in
256 paragraph (a), and to the extent necessary to secure the funds
257 for the account specified in s. 631.55(2)(b) for the direct
258 payment of covered claims of insurers rendered insolvent by the
259 effects of a hurricane and to pay the reasonable costs to
260 administer such claims, or to retire indebtedness, including,
261 without limitation, the principal, redemption premium, if any,
262 and interest on, and related costs of issuance of, bonds issued
263 under s. 631.695 and the funding of any reserves and other
264 payments required under the bond resolution or trust indenture
265 pursuant to which such bonds have been issued, the office, upon
266 certification of the board of directors, shall levy emergency
267 assessments upon insurers holding a certificate of authority.
268 The emergency assessments payable under this paragraph by any
269 insurer may ~~shall~~ not exceed in any single year more than 2
270 percent of that insurer's direct written premiums, net of
271 refunds, in this state during the preceding calendar year for
272 the kinds of insurance within the account specified in s.



273 631.55(2)(b) .
274 ~~2.b.~~ Any Emergency assessments authorized under this
275 paragraph shall be levied by the office upon insurers referred
276 to in subparagraph 1. ~~sub-subparagraph a.~~, upon certification as
277 to the need for such assessments by the board of directors. If
278 ~~In the event~~ the board ~~of directors~~ participates in the issuance
279 of bonds in accordance with s. 631.695, emergency assessments
280 shall be levied in each year that bonds issued under s. 631.695
281 and secured by such emergency assessments are outstanding, in
282 ~~such~~ amounts up to such 2 percent ~~2-percent~~ limit as required in
283 order to provide for the full and timely payment of the
284 principal of, redemption premium, if any, and interest on, and
285 related costs of issuance of, such bonds. The emergency
286 assessments ~~provided for in this paragraph~~ are assigned and
287 pledged to the municipality, county, or legal entity issuing
288 bonds under s. 631.695 for the benefit of the holders of such
289 bonds, ~~in order to enable such municipality, county, or legal~~
290 ~~entity~~ to provide for the payment of the principal of,
291 redemption premium, if any, and interest on such bonds, the cost
292 of issuance of such bonds, and the funding of any reserves and
293 other payments required under the bond resolution or trust
294 indenture pursuant to which such bonds have been issued, without
295 ~~the necessity of any~~ further action by the association, the
296 office, or any other party. If ~~To the extent~~ bonds are issued
297 under s. 631.695 and the association determines to secure such
298 bonds by a pledge of revenues received from the emergency
299 assessments, such bonds, upon such pledge of revenues, shall be
300 secured by and payable from the proceeds of such emergency
301 assessments, and the proceeds of emergency assessments levied



302 under this paragraph shall be remitted directly to and
303 administered by the trustee or custodian appointed for such
304 bonds.

305 ~~3.e.~~ Emergency assessments used to defease bonds issued
306 under this part paragraph may be payable in a single payment or,
307 at the option of the association, may be payable in 12 monthly
308 installments with the first installment being due and payable at
309 the end of the month after an emergency assessment is levied and
310 subsequent installments being due by ~~not later than~~ the end of
311 each succeeding month.

312 ~~4.d.~~ If emergency assessments are imposed, the report
313 required by s. 631.695(7) must ~~shall~~ include an analysis of the
314 revenues generated from the emergency assessments imposed under
315 this paragraph.

316 ~~5.e.~~ If emergency assessments are imposed, the references
317 in sub-subparagraph (1)(a)3.b. and s. 631.695(2) and (7) to
318 assessments levied under paragraph (a) must ~~shall~~ include
319 emergency assessments imposed under this paragraph.

320 ~~6.2.~~ If the board of directors participates in the issuance
321 of bonds in accordance with s. 631.695, an annual assessment
322 under this paragraph shall continue while the bonds issued with
323 respect to which the assessment was imposed are outstanding,
324 including any bonds the proceeds of which were used to refund
325 bonds issued pursuant to s. 631.695, unless adequate provision
326 has been made for the payment of the bonds in the documents
327 authorizing the issuance of such bonds.

328 ~~7.3.~~ Emergency assessments under this paragraph are not
329 premium and are not subject to the premium tax, to any fees, or
330 to any commissions. An insurer is liable for all emergency



331 assessments that the insurer collects and shall treat the
332 failure of an insured to pay an emergency assessment as a
333 failure to pay the premium. An insurer is not liable for
334 uncollectible emergency assessments.

335 ~~(f) The recoupment factor applied to policies in accordance~~
336 ~~with paragraph (c) shall be selected by the insurer or insurer~~
337 ~~group so as to provide for the probable recoupment of both~~
338 ~~assessments levied pursuant to paragraph (a) and emergency~~
339 ~~assessments over a period of 12 months, unless the insurer or~~
340 ~~insurer group, at its option, elects to recoup the assessment~~
341 ~~over a longer period. The recoupment factor shall apply to all~~
342 ~~policies of the same kind or line as were considered by the~~
343 ~~office in determining the assessment liability of the insurer or~~
344 ~~insurer group issued or renewed during a 12-month period. If the~~
345 ~~insurer or insurer group does not collect the full amount of the~~
346 ~~assessment during one 12-month period, the insurer or insurer~~
347 ~~group may apply recalculated recoupment factors to policies~~
348 ~~issued or renewed during one or more succeeding 12-month~~
349 ~~periods. If, at the end of a 12-month period, the insurer or~~
350 ~~insurer group has collected from the combined kinds or lines of~~
351 ~~policies subject to assessment more than the total amount of the~~
352 ~~assessment paid by the insurer or insurer group, the excess~~
353 ~~amount shall be disbursed as follows:~~

354 1. The association, office, and insurers remitting
355 assessments pursuant to paragraph (a) or paragraph (e) must
356 comply with the following:

357 a. In the order levying an assessment, the office shall
358 specify the actual percentage amount to be collected uniformly
359 from all the policyholders of insurers subject to the assessment



360 and the date on which the assessment year begins, which may not
361 begin until 90 days after the association board certifies such
362 an assessment.

363 b. Insurers shall make an initial payment to the
364 association before the beginning of the assessment year on or
365 before the date specified in the order of the office.

366 c. Insurers that have written insurance in the calendar
367 year before the year in which the assessment is certified by the
368 board shall make an initial payment based on the net direct
369 written premium amount from the prior calendar year as set forth
370 in the insurers' annual statements, multiplied by the uniform
371 percentage of premium specified in the order issued by the
372 office. Insurers that have not written insurance in the prior
373 calendar year in any of the lines under the account which are
374 being assessed, but that are writing insurance as of, or after,
375 the date the board certifies the assessment to the office, shall
376 pay an amount based on a good faith estimate of the amount of
377 net direct written premium anticipated to be written in the
378 subject lines of business for the assessment year, multiplied by
379 the uniform percentage of premium specified in the order issued
380 by the office.

381 d. Insurers shall file a reconciliation report with the
382 association within 45 days after the end of the assessment year
383 which indicates the amount of the initial payment to the
384 association before the assessment year, whether such amount was
385 based on net direct written premium contained in a prior
386 calendar year annual statement or a good faith projection, the
387 amount actually collected during the assessment year, and such
388 other information contained on a form adopted by the association



389 and provided to the insurers in advance. If the insurer
390 collected from policyholders more than the amount initially
391 paid, the insurer shall pay the excess amount to the
392 association. If the insurer collected from policyholders an
393 amount which is less than the amount initially paid to the
394 association, the association shall credit the insurer that
395 amount against future assessments. Such payment reconciliation
396 report, and any payment of excess amounts collected from
397 policyholders, shall be completed and remitted to the
398 association within 90 days after the end of the assessment year.
399 The association shall send a final reconciliation report on all
400 insurers to the office within 120 days after each assessment
401 year.

402 e. Insurers remitting reconciliation reports to the
403 association under this paragraph are subject to s.
404 626.9541(1)(e). ~~If the excess amount does not exceed 15 percent~~
405 ~~of the total assessment paid by the insurer or insurer group,~~
406 ~~the excess amount shall be remitted to the association within 60~~
407 ~~days after the end of the 12-month period in which the excess~~
408 ~~recoupment charges were collected.~~

409 2. The association may use a monthly installment method
410 instead of the method described in sub-subparagraphs 1.b. and c.
411 or in combination thereof based on the association's projected
412 cash flow. If the association projects that it has cash on hand
413 for the payment of anticipated claims in the applicable account
414 for at least 6 months, the board may make an estimate of the
415 assessment needed and may recommend to the office the assessment
416 percentage that may be collected as a monthly assessment. The
417 office may, in the order levying the assessment on insurers,



418 specify that the assessment is due and payable monthly as the
419 funds are collected from insureds throughout the assessment
420 year, in which case the assessment shall be a uniform percentage
421 of premium collected during the assessment year and shall be
422 collected from all policyholders with policies in the classes
423 protected by the account. All insurers shall collect the
424 assessment without regard to whether the insurers reported
425 premium in the year preceding the assessment. Insurers are not
426 required to advance funds if the association and the office
427 elect to use the monthly installment option. All funds collected
428 shall be retained by the association for the payment of current
429 or future claims. This subparagraph does not alter the
430 obligation of an insurer to remit assessments levied pursuant to
431 this subsection to the association. ~~If the excess amount exceeds~~
432 ~~15 percent of the total assessment paid by the insurer or~~
433 ~~insurer group, the excess amount shall be returned to the~~
434 ~~insurer's or insurer group's current policyholders by refunds or~~
435 ~~premium credits. The association shall use any remitted excess~~
436 ~~recoupment amounts to reduce future assessments.~~

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

443 ~~(h) At least 15 days before applying the recoupment factor~~
444 ~~to any policies, the insurer or insurer group shall file with~~
445 ~~the office a statement for informational purposes only setting~~
446 ~~forth the amount of the recoupment factor and an explanation of~~



447 ~~how the recoupment factor will be applied. Such statement shall~~
448 ~~include documentation of the assessment paid by the insurer or~~
449 ~~insurer group and the arithmetic calculations supporting the~~
450 ~~recoupment factor. The insurer or insurer group may use the~~
451 ~~recoupment factor at any time after the expiration of the 15-day~~
452 ~~period. The insurer or insurer group need submit only one~~
453 ~~informational statement for all lines of business using the same~~
454 ~~recoupment factor.~~

455 ~~(i) No later than 90 days after the insurer or insurer~~
456 ~~group has completed the recoupment process, the insurer or~~
457 ~~insurer group shall file with the office, for information~~
458 ~~purposes only, a final accounting report documenting the~~
459 ~~recoupment. The report shall provide the amounts of assessments~~
460 ~~paid by the insurer or insurer group, the amounts and~~
461 ~~percentages recouped by year from each affected line of~~
462 ~~business, and the direct written premium subject to recoupment~~
463 ~~by year. The insurer or insurer group need submit only one~~
464 ~~report for all lines of business using the same recoupment~~
465 ~~factor.~~

466 (h) Assessments levied under this subsection are levied
467 upon insurers. This subsection does not create a cause of action
468 by a policyholder with respect to the levying of, or a
469 policyholder's duty to pay, such assessments.

470 (4) The office department may exempt or temporarily defer
471 any insurer from any regular or emergency assessment if the
472 office finds that the insurer is impaired or insolvent or if an
473 assessment would result in such insurer's financial statement
474 reflecting an amount of capital or surplus less than the sum of
475 the minimum amount required by any jurisdiction in which the



476 insurer is authorized to transact insurance.

477 Section 9. Section 631.64, Florida Statutes, is amended to
478 read:

479 631.64 Recognition of assessments ~~in rates.~~ Charges or
480 recoupments shall be separately displayed on premium statements
481 to enable policyholders to determine the amount charged for
482 association assessments but may not be included in rates filed
483 and approved by the office. ~~The rates and premiums charged for~~
484 ~~insurance policies to which this part applies may include~~
485 ~~amounts sufficient to recoup a sum equal to the amounts paid to~~
486 ~~the association by the member insurer less any amounts returned~~
487 ~~to the member insurer by the association, and such rates shall~~
488 ~~not be deemed excessive because they contain an amount~~
489 ~~reasonably calculated to recoup assessments paid by the member~~
490 ~~insurer.~~

491 Section 10. Subsection (5) of section 627.727, Florida
492 Statutes, is amended to read:

493 627.727 Motor vehicle insurance; uninsured and underinsured
494 vehicle coverage; insolvent insurer protection.-

495 (5) Any person having a claim against an insolvent insurer
496 as defined in s. 631.54(6) ~~under the provisions of this section~~
497 ~~shall present such claim for payment to the Florida Insurance~~
498 ~~Guaranty Association only. In the event of a payment to a any~~
499 ~~person in settlement of a claim arising under the provisions of~~
500 ~~this section, the association is not subrogated or entitled to~~
501 ~~any recovery against the claimant's insurer. The association,~~
502 ~~however, has the rights of recovery as set forth in chapter 631~~
503 ~~in the proceeds recoverable from the assets of the insolvent~~
504 ~~insurer.~~



505 Section 11. Subsection (1) of section 631.55, Florida
506 Statutes, is amended to read:

507 631.55 Creation of the association.—

508 (1) There is created a nonprofit corporation to be known as
509 the "Florida Insurance Guaranty Association, Incorporated." All
510 insurers defined as member insurers in s. 631.54~~(7)~~ shall be
511 members of the association as a condition of their authority to
512 transact insurance in this state, and, further, as a condition
513 of such authority, an insurer must ~~shall~~ agree to reimburse the
514 association for all claim payments the association makes on the
515 ~~said~~ insurer's behalf if such insurer is subsequently
516 rehabilitated. The association shall perform its functions under
517 a plan of operation established and approved under s. 631.58 and
518 shall exercise its powers through a board of directors
519 established under s. 631.56. The corporation shall have all
520 those powers granted or permitted nonprofit corporations, as
521 provided in chapter 617.

522 Section 12. This act shall take effect July 1, 2014.

523
524 ===== T I T L E A M E N D M E N T =====

525 And the title is amended as follows:

526 Delete everything before the enacting clause
527 and insert:

528 A bill to be entitled
529 An act relating to insurance; creating s. 400.996,
530 F.S.; authorizing the Agency for Health Care
531 Administration to contract with counties to directly
532 enforce the Health Care Clinic Act; requiring alleged
533 violations of the act to be reported to the agency for



534 review; requiring the agency to report the results of
535 its review and any actions to the county within a
536 specified time; amending s. 440.49, F.S.; revising the
537 methodology for calculating the assessment rate
538 against specified insurers for funding the Special
539 Disability Trust Fund; reducing the upper limit on the
540 rate; amending s. 624.425, F.S.; providing that the
541 absence of a countersignature does not affect the
542 validity of a policy or contract; amending s. 627.902,
543 F.S.; providing that premium financing does not apply
544 to installment payment arrangements that do not
545 involve the advancement of funds; amending s.
546 627.94072, F.S.; providing an alternative form of a
547 nonforfeiture provision for long-term care insurance;
548 amending s. 629.271, F.S.; authorizing reciprocal
549 insurers to return a portion of unassigned funds to
550 their subscribers; amending s. 631.54, F.S.; defining
551 the term "assessment year"; amending s. 631.57, F.S.;
552 revising provisions relating to the levy of
553 assessments on insurers by the Florida Insurance
554 Guaranty Association; specifying the conditions under
555 which such assessments are paid; revising procedures
556 and timeframes for the levying of the assessments;
557 deleting the requirement that insurers file a final
558 accounting report documenting the recoupment; revising
559 an exemption for assessments; amending s. 631.64,
560 F.S.; requiring charges or recoupments to be displayed
561 separately on premium statements to policyholders and
562 prohibiting their inclusion in rates; amending ss.



563 627.727 and 631.55, F.S.; conforming cross-references;
564 providing an effective date.