

By the Committees on Rules; and Judiciary; and Senator Smith

595-04447-14

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1                   A bill to be entitled  
2       An act relating to insurance; amending s. 624.425,  
3       F.S.; providing that the absence of a countersignature  
4       does not affect the validity of a policy or contract;  
5       amending s. 627.7311, F.S.; providing that a county  
6       may enact and enforce ordinances applicable to certain  
7       health care clinics; amending s. 627.902, F.S.;  
8       providing that premium financing does not apply to  
9       installment payment arrangements that do not involve  
10      the advancement of funds; amending s. 627.94072, F.S.;  
11      providing an alternative form of a nonforfeiture  
12      provision for long-term care insurance; amending s.  
13      629.271, F.S.; authorizing reciprocal insurers to  
14      return a portion of unassigned funds to their  
15      subscribers; amending s. 631.54, F.S.; defining the  
16      term "assessment year"; amending s. 631.57, F.S.;  
17      revising provisions relating to the levy of  
18      assessments on insurers by the Florida Insurance  
19      Guaranty Association; specifying the conditions under  
20      which such assessments are paid; revising procedures  
21      and timeframes for the levying of the assessments;  
22      deleting the requirement that insurers file a final  
23      accounting report documenting the recoupment; revising  
24      an exemption for assessments; amending s. 631.64,  
25      F.S.; requiring charges or recoupments to be displayed  
26      separately on premium statements to policyholders and  
27      prohibiting their inclusion in rates; amending ss.  
28      627.727 and 631.55, F.S.; conforming cross-references;  
29      providing an effective date.

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

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

624.425 Agent countersignature required, property, casualty, surety insurance.—

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

Section 2. Section 627.7311, Florida Statutes, is amended

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59 to read:

60 627.7311 Effect of law ~~on personal injury protection~~  
61 ~~policies.~~-

62 (1) The provisions and procedures authorized in ss.  
63 627.730-627.7405 shall be implemented by insurers offering  
64 policies pursuant to the Florida Motor Vehicle No-Fault Law. The  
65 Legislature intends that these provisions and procedures have  
66 full force and effect regardless of their express inclusion in  
67 an insurance policy form, and a specific provision or procedure  
68 authorized in ss. 627.730-627.7405 shall control over general  
69 provisions in an insurance policy form. An insurer is not  
70 required to amend its policy form or to expressly notify  
71 providers, claimants, or insureds in order to implement and  
72 apply such provisions or procedures.

73 (2) Sections 627.730-627.7405 do not preclude a county from  
74 enacting and enforcing an ordinance applicable to health care  
75 clinics that receive reimbursement under the Florida Motor  
76 Vehicle No-Fault Law.

77 Section 3. Subsection (2) of section 627.902, Florida  
78 Statutes, is amended to read:

79 627.902 Premium financing by an insurer or subsidiary.-

80 (2) ~~Nothing in~~ This part or ~~in~~ part XV of this chapter does  
81 not disallow ~~disallows~~ or otherwise apply ~~applies~~ to:

82 (a) Installment payment arrangements offered by an insurer  
83 if such arrangements do not involve the advancement of funds  
84 which would constitute financing and exceed the service charges  
85 provided in 627.901; or

86 (b) A discount for an ~~any~~ insured who pays the entire  
87 premium for the entire policy term at the inception of the term

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88 if the discount is found to be actuarially justified by the  
89 office and approved by the office pursuant to ~~the provisions of~~  
90 part I of this chapter. Such actuarially justified and approved  
91 discount may ~~shall~~ not be deemed a component of or related to  
92 premium financing.

93 Section 4. Subsection (2) of section 627.94072, Florida  
94 Statutes, is amended to read:

95 627.94072 Mandatory offers.-

96 (2) An insurer that offers a long-term care insurance  
97 policy, certificate, or rider in this state shall ~~must~~ offer a  
98 nonforfeiture protection provision providing reduced paid-up  
99 insurance, extended term, shortened benefit period, or ~~any~~ other  
100 benefit ~~benefits~~ approved by the office if all or part of a  
101 premium is not paid. A nonforfeiture provision may also be  
102 offered in the form of a return of premium on the death of the  
103 insured, or on the complete surrender or cancellation of the  
104 policy or contract. Nonforfeiture benefits and any additional  
105 premium for such benefits must be computed in an actuarially  
106 sound manner, using a methodology that has been filed with and  
107 approved by the office.

108 Section 5. Section 629.271, Florida Statutes, is amended to  
109 read:

110 629.271 Distribution of savings.-

111 (1) A reciprocal insurer may ~~from time to time~~ return to  
112 its subscribers any unused premiums, savings, or credits  
113 accruing to their accounts. ~~Any~~ Such distribution may ~~shall~~ not  
114 unfairly discriminate between classes of risks, or policies, or  
115 between subscribers, but ~~such distribution~~ may vary as to  
116 classes of subscribers based on ~~upon~~ the experience of such

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117 classes.

118 (2) In addition to the option provided in subsection (1), a  
119 domestic reciprocal insurer may, upon the prior written approval  
120 of the office, pay to its subscribers a portion of unassigned  
121 funds of up to 10 percent of surplus with distribution limited  
122 to 50 percent of net income from the previous calendar year.  
123 Such distribution may not unfairly discriminate between classes  
124 of risks, or policies, or between subscribers, but may vary as  
125 to classes of subscribers based on the experience of such  
126 classes.

127 Section 6. Subsections (2) through (9) of section 631.54,  
128 Florida Statutes, are renumbered as subsections (3) through  
129 (10), respectively, and a new subsection (2) is added to that  
130 section to read:

131 631.54 Definitions.—As used in this part, the term:

132 (2) "Assessment year" means the 12-month period, which may  
133 begin on the first day of any calendar quarter, whether January  
134 1, April 1, July 1, or October 1, as specified in an order  
135 issued by the office directing insurers to pay an assessment to  
136 the association. Upon entry of the order, insurers may begin  
137 collecting assessments from policyholders for the assessment  
138 year.

139 Section 7. Subsections (3) and (4) of section 631.57,  
140 Florida Statutes, are amended to read:

141 631.57 Powers and duties of the association.—

142 (3) (a) To the extent necessary to secure ~~the~~ funds for the  
143 respective accounts for the payment of covered claims, to pay  
144 the reasonable costs to administer such accounts ~~the same~~, and  
145 ~~to the extent necessary~~ to secure ~~the~~ funds for the account

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146 specified in s. 631.55(2)(b) or to retire indebtedness,  
147 including, without limitation, the principal, redemption  
148 premium, if any, and interest on, and related costs of issuance  
149 of, bonds issued under s. 631.695 and the funding of ~~any~~  
150 reserves and other payments required under the bond resolution  
151 or trust indenture pursuant to which such bonds have been  
152 issued, the office, upon certification of the board of  
153 directors, shall levy assessments initially estimated in the  
154 proportion that each insurer's net direct written premiums in  
155 this state in the classes protected by the account bears to the  
156 total of said net direct written premiums received in this state  
157 by all such insurers for the preceding calendar year for the  
158 kinds of insurance included within such account. Assessments  
159 shall be remitted to and administered by the board of directors  
160 in the manner specified by the approved plan and paragraph (f).  
161 Each insurer so assessed shall have at least 30 days' written  
162 notice as to the date the initial assessment payment is due and  
163 payable. Every assessment shall be ~~made as~~ a uniform percentage  
164 applicable to the net direct written premiums of each insurer in  
165 the kinds of insurance included within the account in which the  
166 assessment is made. The assessments levied against any insurer  
167 may ~~shall~~ not exceed in any one year more than 2 percent of that  
168 insurer's net direct written premiums in this state for the  
169 kinds of insurance included within such account during the  
170 calendar year next preceding the date of such assessments.

171 (b) If sufficient funds from such assessments, together  
172 with funds previously raised, are not available in any one year  
173 in the respective account to make all the payments or  
174 reimbursements then owing to insurers, the funds available shall

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175 be prorated and the unpaid portion ~~shall be~~ paid as soon  
176 ~~thereafter~~ as funds become available.

177 (c) The Legislature finds and declares that all assessments  
178 paid by an insurer or insurer group as a result of a levy by the  
179 office, including assessments levied pursuant to paragraph (a)  
180 and emergency assessments levied pursuant to paragraph (e),  
181 constitute advances of funds from the insurer to the  
182 association. An insurer may fully recoup such advances by  
183 applying the uniform assessment percentage levied by the office  
184 to all a separate recoupment factor to the premium of policies  
185 of the same kind or line as were considered by the office in  
186 determining the assessment liability of the insurer or insurer  
187 group as set forth in paragraph (f).

188 1. Assessments levied under subparagraph (f)1. are paid  
189 before policy surcharges are collected and result in a  
190 receivable for policy surcharges collected in the future. This  
191 amount, to the extent it is likely that it will be realized,  
192 meets the definition of an admissible asset as specified in the  
193 National Association of Insurance Commissioners' Statement of  
194 Statutory Accounting Principles No. 4. The asset shall be  
195 established and recorded separately from the liability  
196 regardless of whether it is based on a retrospective or  
197 prospective premium-based assessment. If an insurer is unable to  
198 fully recoup the amount of the assessment because of a reduction  
199 in writings or withdrawal from the market, the amount recorded  
200 as an asset shall be reduced to the amount reasonably expected  
201 to be recouped.

202 2. Assessments levied under subparagraph (f)2. are paid  
203 after policy surcharges are collected so that the recognition of

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204 assets is based on actual premium written offset by the  
205 obligation to the association.

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

208 (e) ~~1.a.~~ In addition to assessments ~~otherwise~~ authorized in  
209 paragraph (a), and to the extent necessary to secure the funds  
210 for the account specified in s. 631.55(2) (b) for the direct  
211 payment of covered claims of insurers rendered insolvent by the  
212 effects of a hurricane and to pay the reasonable costs to  
213 administer such claims, or to retire indebtedness, including,  
214 without limitation, the principal, redemption premium, if any,  
215 and interest on, and related costs of issuance of, bonds issued  
216 under s. 631.695 and the funding of any reserves and other  
217 payments required under the bond resolution or trust indenture  
218 pursuant to which such bonds have been issued, the office, upon  
219 certification of the board of directors, shall levy emergency  
220 assessments upon insurers holding a certificate of authority.  
221 The emergency assessments payable under this paragraph by any  
222 insurer may ~~shall~~ not exceed in any single year more than 2  
223 percent of that insurer's direct written premiums, net of  
224 refunds, in this state during the preceding calendar year for  
225 the kinds of insurance within the account specified in s.  
226 631.55(2) (b).

227 ~~2.b.~~ Any Emergency assessments authorized under this  
228 paragraph shall be levied by the office upon insurers referred  
229 to in subparagraph 1. ~~sub-subparagraph a.~~, upon certification as  
230 to the need for such assessments by the board of directors. If  
231 ~~In the event~~ the board ~~of directors~~ participates in the issuance  
232 of bonds in accordance with s. 631.695, emergency assessments



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233 shall be levied in each year that bonds issued under s. 631.695  
234 and secured by such emergency assessments are outstanding, in  
235 ~~such~~ amounts up to such 2 percent ~~2-percent~~ limit as required in  
236 order to provide for the full and timely payment of the  
237 principal of, redemption premium, if any, and interest on, and  
238 related costs of issuance of, such bonds. The emergency  
239 assessments ~~provided for in this paragraph~~ are assigned and  
240 pledged to the municipality, county, or legal entity issuing  
241 bonds under s. 631.695 for the benefit of the holders of such  
242 bonds, in order ~~to enable such municipality, county, or legal~~  
243 ~~entity~~ to provide for the payment of the principal of,  
244 redemption premium, if any, and interest on such bonds, the cost  
245 of issuance of such bonds, and the funding of any reserves and  
246 other payments required under the bond resolution or trust  
247 indenture pursuant to which such bonds have been issued, without  
248 ~~the necessity of any~~ further action by the association, the  
249 office, or any other party. If ~~To the extent~~ bonds are issued  
250 under s. 631.695 and the association determines to secure such  
251 bonds by a pledge of revenues received from the emergency  
252 assessments, such bonds, upon such pledge of revenues, shall be  
253 secured by and payable from the proceeds of such emergency  
254 assessments, and the proceeds of emergency assessments levied  
255 under this paragraph shall be remitted directly to and  
256 administered by the trustee or custodian appointed for such  
257 bonds.

258 3.e. Emergency assessments used to defease bonds issued  
259 under this part ~~paragraph~~ may be payable in a single payment or,  
260 at the option of the association, may be payable in 12 monthly  
261 installments with the first installment being due and payable at

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262 the end of the month after an emergency assessment is levied and  
263 subsequent installments being due by ~~not later than~~ the end of  
264 each succeeding month.

265 ~~4.d.~~ If emergency assessments are imposed, the report  
266 required by s. 631.695(7) must ~~shall~~ include an analysis of the  
267 revenues generated from the emergency assessments imposed under  
268 this paragraph.

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

273 ~~6.2.~~ If the board of directors participates in the issuance  
274 of bonds in accordance with s. 631.695, an annual assessment  
275 under this paragraph shall continue while the bonds issued with  
276 respect to which the assessment was imposed are outstanding,  
277 including any bonds the proceeds of which were used to refund  
278 bonds issued pursuant to s. 631.695, unless adequate provision  
279 has been made for the payment of the bonds in the documents  
280 authorizing the issuance of such bonds.

281 ~~7.3.~~ Emergency assessments under this paragraph are not  
282 premium and are not subject to the premium tax, to any fees, or  
283 to any commissions. An insurer is liable for all emergency  
284 assessments that the insurer collects and shall treat the  
285 failure of an insured to pay an emergency assessment as a  
286 failure to pay the premium. An insurer is not liable for  
287 uncollectible emergency assessments.

288 (f) ~~The recoupment factor applied to policies in accordance~~  
289 ~~with paragraph (c) shall be selected by the insurer or insurer~~  
290 ~~group so as to provide for the probable recoupment of both~~

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291 ~~assessments levied pursuant to paragraph (a) and emergency~~  
292 ~~assessments over a period of 12 months, unless the insurer or~~  
293 ~~insurer group, at its option, elects to recoup the assessment~~  
294 ~~over a longer period. The recoupment factor shall apply to all~~  
295 ~~policies of the same kind or line as were considered by the~~  
296 ~~office in determining the assessment liability of the insurer or~~  
297 ~~insurer group issued or renewed during a 12-month period. If the~~  
298 ~~insurer or insurer group does not collect the full amount of the~~  
299 ~~assessment during one 12-month period, the insurer or insurer~~  
300 ~~group may apply recalculated recoupment factors to policies~~  
301 ~~issued or renewed during one or more succeeding 12-month~~  
302 ~~periods. If, at the end of a 12-month period, the insurer or~~  
303 ~~insurer group has collected from the combined kinds or lines of~~  
304 ~~policies subject to assessment more than the total amount of the~~  
305 ~~assessment paid by the insurer or insurer group, the excess~~  
306 ~~amount shall be disbursed as follows:~~

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

310 a. In the order levying an assessment, the office shall  
311 specify the actual percentage amount to be collected uniformly  
312 from all the policyholders of insurers subject to the assessment  
313 and the date on which the assessment year begins, which may not  
314 begin until 90 days after the association board certifies such  
315 an assessment.

316 b. Insurers shall make an initial payment to the  
317 association before the beginning of the assessment year on or  
318 before the date specified in the order of the office.

319 c. Insurers that have written insurance in the calendar

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320 year before the year in which the assessment is certified by the  
321 board shall make an initial payment based on the net direct  
322 written premium amount from the prior calendar year as set forth  
323 in the insurers' annual statements, multiplied by the uniform  
324 percentage of premium specified in the order issued by the  
325 office. Insurers that have not written insurance in the prior  
326 calendar year in any of the lines under the account which are  
327 being assessed, but that are writing insurance as of, or after,  
328 the date the board certifies the assessment to the office, shall  
329 pay an amount based on a good faith estimate of the amount of  
330 net direct written premium anticipated to be written in the  
331 subject lines of business for the assessment year, multiplied by  
332 the uniform percentage of premium specified in the order issued  
333 by the office.

334 d. Insurers shall file a reconciliation report with the  
335 association within 45 days after the end of the assessment year  
336 which indicates the amount of the initial payment to the  
337 association before the assessment year, whether such amount was  
338 based on net direct written premium contained in a prior  
339 calendar year annual statement or a good faith projection, the  
340 amount actually collected during the assessment year, and such  
341 other information contained on a form adopted by the association  
342 and provided to the insurers in advance. If the insurer  
343 collected from policyholders more than the amount initially  
344 paid, the insurer shall pay the excess amount to the  
345 association. If the insurer collected from policyholders an  
346 amount which is less than the amount initially paid to the  
347 association, the association shall credit the insurer that  
348 amount against future assessments. Such payment reconciliation

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349 report, and any payment of excess amounts collected from  
350 policyholders, shall be completed and remitted to the  
351 association within 90 days after the end of the assessment year.  
352 The association shall send a final reconciliation report on all  
353 insurers to the office within 120 days after each assessment  
354 year.

355 e. Insurers remitting reconciliation reports to the  
356 association under this paragraph are subject to s.  
357 626.9541(1)(e). ~~If the excess amount does not exceed 15 percent~~  
358 ~~of the total assessment paid by the insurer or insurer group,~~  
359 ~~the excess amount shall be remitted to the association within 60~~  
360 ~~days after the end of the 12-month period in which the excess~~  
361 ~~recoupment charges were collected.~~

362 2. The association may use a monthly installment method  
363 instead of the method described in sub-subparagraphs 1.b. and c.  
364 or in combination thereof based on the association's projected  
365 cash flow. If the association projects that it has cash on hand  
366 for the payment of anticipated claims in the applicable account  
367 for at least 6 months, the board may make an estimate of the  
368 assessment needed and may recommend to the office the assessment  
369 percentage that may be collected as a monthly assessment. The  
370 office may, in the order levying the assessment on insurers,  
371 specify that the assessment is due and payable monthly as the  
372 funds are collected from insureds throughout the assessment  
373 year, in which case the assessment shall be a uniform percentage  
374 of premium collected during the assessment year and shall be  
375 collected from all policyholders with policies in the classes  
376 protected by the account. All insurers shall collect the  
377 assessment without regard to whether the insurers reported

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378 premium in the year preceding the assessment. Insurers are not  
379 required to advance funds if the association and the office  
380 elect to use the monthly installment option. All funds collected  
381 shall be retained by the association for the payment of current  
382 or future claims. This subparagraph does not alter the  
383 obligation of an insurer to remit assessments levied pursuant to  
384 this subsection to the association. ~~If the excess amount exceeds~~  
385 ~~15 percent of the total assessment paid by the insurer or~~  
386 ~~insurer group, the excess amount shall be returned to the~~  
387 ~~insurer's or insurer group's current policyholders by refunds or~~  
388 ~~premium credits. The association shall use any remitted excess~~  
389 ~~recoupment amounts to reduce future assessments.~~

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

396 ~~(h) At least 15 days before applying the recoupment factor~~  
397 ~~to any policies, the insurer or insurer group shall file with~~  
398 ~~the office a statement for informational purposes only setting~~  
399 ~~forth the amount of the recoupment factor and an explanation of~~  
400 ~~how the recoupment factor will be applied. Such statement shall~~  
401 ~~include documentation of the assessment paid by the insurer or~~  
402 ~~insurer group and the arithmetic calculations supporting the~~  
403 ~~recoupment factor. The insurer or insurer group may use the~~  
404 ~~recoupment factor at any time after the expiration of the 15-day~~  
405 ~~period. The insurer or insurer group need submit only one~~  
406 ~~informational statement for all lines of business using the same~~

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407 ~~recoupment factor.~~

408 ~~(i) No later than 90 days after the insurer or insurer~~  
409 ~~group has completed the recoupment process, the insurer or~~  
410 ~~insurer group shall file with the office, for information~~  
411 ~~purposes only, a final accounting report documenting the~~  
412 ~~recoupment. The report shall provide the amounts of assessments~~  
413 ~~paid by the insurer or insurer group, the amounts and~~  
414 ~~percentages recouped by year from each affected line of~~  
415 ~~business, and the direct written premium subject to recoupment~~  
416 ~~by year. The insurer or insurer group need submit only one~~  
417 ~~report for all lines of business using the same recoupment~~  
418 ~~factor.~~

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

423 (4) The office department may exempt or temporarily defer  
424 any insurer from any regular or emergency assessment if the  
425 office finds that the insurer is impaired or insolvent or if an  
426 assessment would result in such insurer's financial statement  
427 reflecting an amount of capital or surplus less than the sum of  
428 the minimum amount required by any jurisdiction in which the  
429 insurer is authorized to transact insurance.

430 Section 8. Section 631.64, Florida Statutes, is amended to  
431 read:

432 631.64 Recognition of assessments ~~in rates.~~ Charges or  
433 recoupments shall be separately displayed on premium statements  
434 to enable policyholders to determine the amount charged for  
435 association assessments but may not be included in rates filed

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436 and approved by the office. ~~The rates and premiums charged for~~  
437 ~~insurance policies to which this part applies may include~~  
438 ~~amounts sufficient to recoup a sum equal to the amounts paid to~~  
439 ~~the association by the member insurer less any amounts returned~~  
440 ~~to the member insurer by the association, and such rates shall~~  
441 ~~not be deemed excessive because they contain an amount~~  
442 ~~reasonably calculated to recoup assessments paid by the member~~  
443 ~~insurer.~~

444 Section 9. Subsection (5) of section 627.727, Florida  
445 Statutes, is amended to read:

446 627.727 Motor vehicle insurance; uninsured and underinsured  
447 vehicle coverage; insolvent insurer protection.—

448 (5) Any person having a claim against an insolvent insurer  
449 as defined in s. 631.54(6) ~~under the provisions of this section~~  
450 ~~shall present such claim for payment to the Florida Insurance~~  
451 ~~Guaranty Association only. In the event of a payment to a ~~any~~~~  
452 ~~person in settlement of a claim arising under the provisions of~~  
453 ~~this section, the association is not subrogated or entitled to~~  
454 ~~any recovery against the claimant's insurer. The association,~~  
455 ~~however, has the rights of recovery as set forth in chapter 631~~  
456 ~~in the proceeds recoverable from the assets of the insolvent~~  
457 ~~insurer.~~

458 Section 10. Subsection (1) of section 631.55, Florida  
459 Statutes, is amended to read:

460 631.55 Creation of the association.—

461 (1) There is created a nonprofit corporation to be known as  
462 the "Florida Insurance Guaranty Association, Incorporated." All  
463 insurers defined as member insurers in s. 631.54(7) shall be  
464 members of the association as a condition of their authority to



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465 transact insurance in this state, and, further, as a condition  
466 of such authority, an insurer must ~~shall~~ agree to reimburse the  
467 association for all claim payments the association makes on the  
468 ~~said~~ insurer's behalf if such insurer is subsequently  
469 rehabilitated. The association shall perform its functions under  
470 a plan of operation established and approved under s. 631.58 and  
471 shall exercise its powers through a board of directors  
472 established under s. 631.56. The corporation shall have all  
473 those powers granted or permitted nonprofit corporations, as  
474 provided in chapter 617.

475 Section 11. This act shall take effect July 1, 2014.