

27 premiums received in this state by all such workers'
28 compensation insurers for the preceding calendar year.
29 Assessments levied against insurers and self-insurance funds
30 pursuant to this paragraph must be computed and levied on the
31 basis of the full policy premium value on the net direct written
32 premium amount as set forth in the state for workers'
33 compensation insurance without consideration of any applicable
34 discount or credit for deductibles. Insurers and self-insurance
35 funds must report premiums in compliance with this paragraph.
36 Assessments shall be remitted to and administered by the board
37 of directors in the manner specified by the approved plan of
38 operation and paragraph (d). ~~The board shall give each insurer~~
39 ~~so assessed at least 30 days' written notice of the date the~~
40 ~~assessment is due and payable.~~ Each assessment shall be a
41 uniform percentage applicable to the net direct written premiums
42 of each insurer writing workers' compensation insurance.

43 ~~1. Beginning July 1, 1997,~~ Assessments levied against
44 insurers and, ~~other than~~ self-insurance funds, shall not exceed
45 in any calendar year more than 2 percent of that insurer's net
46 direct written premiums in this state for workers' compensation
47 insurance ~~during the calendar year next preceding the date of~~
48 ~~such assessments.~~

49 (b) Member insurers shall collect surcharges at a uniform
50 percentage rate on new and renewal policies issued and effective
51 during the 12-month period beginning January 1, April 1, July 1,
52 or October 1, whichever is the first day of the following

53 calendar quarter as specified in an order issued by the office
54 directing insurers to pay an assessment to the association. The
55 surcharge may not begin until 90 days after the board of
56 directors certifies the assessment.

57 ~~2. Beginning July 1, 1997, assessments levied against~~
58 ~~self-insurance funds shall not exceed in any calendar year more~~
59 ~~than 1.50 percent of that self-insurance fund's net direct~~
60 ~~written premiums in this state for workers' compensation~~
61 ~~insurance during the calendar year next preceding the date of~~
62 ~~such assessments.~~

63 ~~3. Beginning July 1, 2003, assessments levied against~~
64 ~~insurers and self-insurance funds pursuant to this paragraph are~~
65 ~~computed and levied on the basis of the full policy premium~~
66 ~~value on the net direct premiums written in the state for~~
67 ~~workers' compensation insurance during the calendar year next~~
68 ~~preceding the date of the assessment without taking into account~~
69 ~~any applicable discount or credit for deductibles. Insurers and~~
70 ~~self-insurance funds must report premiums in compliance with~~
71 ~~this subparagraph.~~

72 ~~(b) Assessments shall be included as an appropriate factor~~
73 ~~in the making of rates.~~

74 ~~(c)1. Effective July 1, 1999, If assessments otherwise~~
75 ~~authorized in paragraph (a) are insufficient to make all~~
76 ~~payments on reimbursements then owing to claimants in a calendar~~
77 ~~year, then upon certification by the board, the office~~
78 ~~department shall levy additional assessments of up to 1.5~~

79 percent of the insurer's net direct written premiums in this
80 state ~~during the calendar year next preceding the date of such~~
81 ~~assessments against insurers to secure the necessary funds.~~

82 (d) The association may use an installment method to
83 require the insurer to remit the assessment as premium is
84 written or may require the insurer to remit the assessment to
85 the association before collecting the policyholder surcharge. If
86 the assessment is remitted before the surcharge is collected,
87 the assessment remitted must be based on an estimate of the
88 assessment due based on the proportion of each insurer's net
89 direct written premium in this state for the preceding calendar
90 year as described in paragraph (a) and adjusted following the
91 end of the 12-month period during which the assessment is
92 levied.

93 1. If the association elects to use the installment
94 method, the office may, in the order levying the assessment on
95 insurers, specify that the assessment is due and payable
96 quarterly as premium is written throughout the assessment year.
97 Insurers shall collect surcharges at a uniform percentage rate
98 specified by order as described in paragraph (b). Insurers are
99 not required to advance funds if the association and the office
100 elect to use the installment option. Assessments levied under
101 this subparagraph are paid after policy surcharges are
102 collected, and the recognition of assets is based on actual
103 premium written offset by the obligation to the association.

104 2. If the association elects to require insurers to remit

105 the assessment before surcharging the policyholder, the
106 following shall apply:

107 a. The levy order shall provide each insurer so assessed
108 at least 30 days written notice of the date the initial
109 assessment payment is due and payable by the insurer.

110 b. Insurers shall collect surcharges at a uniform
111 percentage rate specified by the order, as described in
112 paragraph (b).

113 c. Assessments levied under this subparagraph are paid
114 before policy surcharges are billed and result in a receivable
115 for policy surcharges to be billed in the future. The amount of
116 billed surcharges, to the extent it is likely that it will be
117 realized, meets the definition of an admissible asset as
118 specified in the National Association of Insurance
119 Commissioners' Statement of Statutory Accounting Principles No.
120 4. The asset shall be established and recorded separately from
121 the liability. If an insurer is unable to fully recoup the
122 amount of the assessment, the amount recorded as an asset shall
123 be reduced to the amount reasonably expected to be recouped.

124 3. Insurers must submit a reconciliation report to the
125 association within 120 days after the end of the 12-month
126 assessment period and annually thereafter for a period of 3
127 years. The report must indicate the amount of the initial
128 payment or installment payments made to the association and the
129 amount of written premium pursuant to paragraph (a) for the
130 assessment year. If the insurer's reconciled assessment

131 obligation is more than the amount paid to the association, the
132 insurer shall pay the excess surcharges collected to the
133 association. If the insurer's reconciled assessment obligation
134 is less than the initial amount paid to the association, the
135 association shall credit the insurer that amount against future
136 assessments.

137 (2) Assessments levied under this section are not premium
138 and are not subject to any premium tax, fees, or commissions.
139 Insurers shall treat the failure of an insured to pay
140 assessment-related surcharges as a failure to pay premium. An
141 insurer is not liable for any uncollectible assessment-related
142 surcharges.

143 (3) Assessments levied under this section may only be
144 levied upon insurers. This section does not create a cause of
145 action by a policyholder with respect to the levying of an
146 assessment or a policyholder's duty to pay assessment-related
147 surcharges.

148 ~~2. To assure that insurers paying assessments levied under~~
149 ~~this paragraph continue to charge rates that are neither~~
150 ~~inadequate nor excessive, each insurer that is to be assessed~~
151 ~~pursuant to this paragraph, or a licensed rating organization to~~
152 ~~which the insurer subscribes, may make, within 90 days after~~
153 ~~being notified of such assessments, a rate filing for workers'~~
154 ~~compensation coverage pursuant to ss. 627.072 and 627.091. If~~
155 ~~the filing reflects a percentage rate change equal to the~~
156 ~~difference between the rate of such assessment and the rate of~~

157 | ~~the previous year's assessment under this paragraph, the filing~~
158 | ~~shall consist of a certification so stating and shall be deemed~~
159 | ~~approved when made. Any rate change of a different percentage~~
160 | ~~shall be subject to the standards and procedures of ss. 627.072~~
161 | ~~and 627.091.~~

162 | (4)~~(2)~~(a) The board may exempt any insurer from an
163 | assessment if, in the opinion of the office ~~department~~, an
164 | assessment would result in such insurer's financial statement
165 | reflecting an amount of capital or surplus less than the minimum
166 | amount required by any jurisdiction in which the insurer is
167 | authorized to transact insurance.

168 | (b) The board may temporarily defer, in whole or in part,
169 | assessments against an insurer if, in the opinion of the office
170 | ~~department~~, payment of the assessment would endanger the ability
171 | of the insurer to fulfill its contractual obligations. In the
172 | case of a self-insurance fund, the trustees of the fund
173 | determined to be endangered must immediately levy an assessment
174 | upon the members of that self-insurance fund in an amount
175 | sufficient to pay the assessments to the corporation.

176 | (c) The board may allow an insurer to pay an assessment on
177 | a quarterly basis.

178 | Section 2. This act shall take effect July 1, 2016.