

Amendment No. 1

COMMITTEE/SUBCOMMITTEE ACTION

ADOPTED	_____	(Y/N)
ADOPTED AS AMENDED	_____	(Y/N)
ADOPTED W/O OBJECTION	_____	(Y/N)
FAILED TO ADOPT	_____	(Y/N)
WITHDRAWN	_____	(Y/N)
OTHER		

1 Committee/Subcommittee hearing bill: Commerce Committee
 2 Representative Gregory offered the following:

Amendment (with title amendment)

Remove lines 55-229 and insert:

6 (2) "Domestic surplus lines insurer" means a nonadmitted
 7 insurer domiciled in this state that has been deemed eligible
 8 and authorized by the office to write surplus lines insurance. A
 9 domestic surplus lines insurer is not an "authorized insurer" as
 10 defined in s. 624.09(1), but is authorized to write surplus
 11 lines insurance in any jurisdiction, including this state, and
 12 such authorization is not contingent on the company's holding of
 13 an existing certificate of authority.

14 (3)-(2) "Eligible surplus lines insurer" means:

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15 (a) An unauthorized insurer that which has been made
16 eligible by the office to issue insurance coverage under this
17 Surplus Lines Law; or

18 (b) A domestic surplus lines insurer.

19 (4)-(3) "Export" "To export" means to place, in an
20 unauthorized insurer under this Surplus Lines Law, insurance
21 covering a subject of insurance resident, located, or to be
22 performed in this state.

23 (5)-(1) "Surplus lines agent" means an individual licensed
24 as provided in this part to handle the placement of insurance
25 coverages with unauthorized insurers and to place such coverages
26 with authorized insurers as to which the licensee is not
27 licensed as an agent.

28 Section 2. Section 626.91805, Florida Statutes, is created
29 to read:

30 626.91805 Domestic surplus lines insurers.-

31 (1) As used in this section, the term "nonadmitted
32 insurer" has the same meaning as provided in the federal
33 Nonadmitted and Reinsurance Reform Act of 2010.

34 (2) Notwithstanding any other law, a nonadmitted insurer
35 possessing a policyholder surplus of at least \$15 million may,
36 under a resolution by its board of directors and with the
37 written approval of the office, be eligible to transact
38 insurance as a domestic surplus lines insurer. A domestic

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39 surplus lines insurer must maintain surplus of at least \$15
40 million at all times.

41 (3) Notwithstanding s. 626.918(2), a domestic surplus
42 lines insurer shall be deemed an eligible surplus lines insurer
43 and shall be included in the list of eligible surplus lines
44 insurers required by s. 626.918(3). Eligible surplus lines
45 insurers listed in s. 626.918(3) may write any kind of insurance
46 that an unauthorized insurer not domiciled in this state is
47 eligible to write.

48 (4) For purposes of writing surplus lines insurance
49 pursuant to the Surplus Lines Law, a domestic surplus lines
50 insurer shall be considered an unauthorized insurer.

51 (5) For purposes of the federal Nonadmitted and
52 Reinsurance Reform Act of 2010, a domestic surplus lines insurer
53 shall be considered a nonadmitted insurer.

54 (6) A domestic surplus lines insurer may write only
55 surplus lines insurance in this state and only if procured from
56 a surplus lines agent pursuant to the Surplus Lines Law. Such
57 insurer is also prohibited from simultaneously holding any
58 certificate of authority authorizing it to operate as an
59 admitted insurer.

60 (7) A domestic surplus lines insurer is authorized to
61 write surplus lines insurance in any other jurisdiction if the
62 domestic surplus lines insurer complies with any requirements of
63 that jurisdiction.

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64 (8) All requirements imposed by the Florida Insurance Code
65 on admitted domestic insurers apply to domestic surplus lines
66 insurers unless domestic surplus lines insurers are otherwise
67 specifically exempted in this section.

68 (9) A domestic surplus lines insurer is exempt from s.
69 624.408.

70 (10) A surplus lines insurance policy issued by a domestic
71 surplus lines insurer is exempt from all statutory requirements
72 relating to insurance rating and rating plans; policy forms;
73 premiums charged to insureds; policy cancellation, nonrenewal,
74 and renewal; and other statutory requirements in the same manner
75 and to the same extent as surplus lines policies issued by a
76 surplus lines insurer domiciled in another state.

77 (11) Notwithstanding any other law, a policy issued by a
78 domestic surplus lines insurer is subject to taxes assessed upon
79 surplus lines policies issued by nonadmitted insurers, including
80 surplus lines premium taxes, but is not subject to other taxes
81 levied upon admitted insurers, whether domestic or foreign.

82 (12) A policy issued by a domestic surplus lines insurer
83 is not subject to the protections or requirements of the Florida
84 Insurance Guaranty Association Act, the Florida Life and Health
85 Insurance Guaranty Association Act, the Florida Workers'
86 Compensation Insurance Guaranty Association Act, or the Florida
87 Hurricane Catastrophe Fund.

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88 (13) A domestic surplus lines insurer may not issue a
89 homeowners policy covering personal residential property located
90 in Florida if such policy was non-renewed or cancelled by an
91 admitted carrier "affiliate" as that term is defined in s.
92 624.10 within 12 months following the effective date of the non-
93 renewal or cancellation. This restriction shall not apply to
94 non-renewals or cancellations provided at the insured's request.
95 A domestic surplus lines insurer may not issue a policy designed
96 to satisfy the motor vehicle financial responsibility
97 requirements of this state under chapter 324, the Workers'
98 Compensation Law under chapter 440, or any other law of this
99 state mandating insurance coverage by an admitted insurer.

100 Section 3. Paragraph (b) of subsection (1) and paragraph
101 (b) of subsection (2) of section 458.320, Florida Statutes, are
102 amended to read:

103 458.320 Financial responsibility.—

104 (1) As a condition of licensing and maintaining an active
105 license, and prior to the issuance or renewal of an active
106 license or reactivation of an inactive license for the practice
107 of medicine, an applicant must by one of the following methods
108 demonstrate to the satisfaction of the board and the department
109 financial responsibility to pay claims and costs ancillary
110 thereto arising out of the rendering of, or the failure to
111 render, medical care or services:

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112 (b) Obtaining and maintaining professional liability
113 coverage in an amount not less than \$100,000 per claim, with a
114 minimum annual aggregate of not less than \$300,000, from an
115 authorized insurer as defined under s. 624.09, from a surplus
116 lines insurer as defined under s. 626.914 ~~s. 626.914(2)~~, from a
117 risk retention group as defined under s. 627.942, from the Joint
118 Underwriting Association established under s. 627.351(4), or
119 through a plan of self-insurance as provided in s. 627.357. The
120 required coverage amount set forth in this paragraph may not be
121 used for litigation costs or attorney's fees for the defense of
122 any medical malpractice claim.

123 (2) Physicians who perform surgery in an ambulatory
124 surgical center licensed under chapter 395 and, as a continuing
125 condition of hospital staff privileges, physicians who have
126 staff privileges must also establish financial responsibility by
127 one of the following methods:

128 (b) Obtaining and maintaining professional liability
129 coverage in an amount not less than \$250,000 per claim, with a
130 minimum annual aggregate of not less than \$750,000 from an
131 authorized insurer as defined under s. 624.09, from a surplus
132 lines insurer as defined under s. 626.914 ~~s. 626.914(2)~~, from a
133 risk retention group as defined under s. 627.942, from the Joint
134 Underwriting Association established under s. 627.351(4),
135 through a plan of self-insurance as provided in s. 627.357, or
136 through a plan of self-insurance which meets the conditions

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137 specified for satisfying financial responsibility in s. 766.110.
138 The required coverage amount set forth in this paragraph may not
139 be used for litigation costs or attorney's fees for the defense
140 of any medical malpractice claim.

141
142 This subsection shall be inclusive of the coverage in subsection
143 (1).

144 Section 4. Paragraph (b) of subsection (1) and paragraph
145 (b) of subsection (2) of section 459.0085, Florida Statutes, are
146 amended to read:

147 459.0085 Financial responsibility.—

148 (1) As a condition of licensing and maintaining an active
149 license, and prior to the issuance or renewal of an active
150 license or reactivation of an inactive license for the practice
151 of osteopathic medicine, an applicant must by one of the
152 following methods demonstrate to the satisfaction of the board
153 and the department financial responsibility to pay claims and
154 costs ancillary thereto arising out of the rendering of, or the
155 failure to render, medical care or services:

156 (b) Obtaining and maintaining professional liability
157 coverage in an amount not less than \$100,000 per claim, with a
158 minimum annual aggregate of not less than \$300,000, from an
159 authorized insurer as defined under s. 624.09, from a surplus
160 lines insurer as defined under s. 626.914 ~~s. 626.914(2)~~, from a
161 risk retention group as defined under s. 627.942, from the Joint

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162 Underwriting Association established under s. 627.351(4), or
163 through a plan of self-insurance as provided in s. 627.357. The
164 required coverage amount set forth in this paragraph may not be
165 used for litigation costs or attorney's fees for the defense of
166 any medical malpractice claim.

167 (2) Osteopathic physicians who perform surgery in an
168 ambulatory surgical center licensed under chapter 395 and, as a
169 continuing condition of hospital staff privileges, osteopathic
170 physicians who have staff privileges must also establish
171 financial responsibility by one of the following methods:

172 (b) Obtaining and maintaining professional liability
173 coverage in an amount not less than \$250,000 per claim, with a
174 minimum annual aggregate of not less than \$750,000 from an
175 authorized insurer as defined under s. 624.09, from a surplus
176 lines insurer as defined under s. 626.914 ~~s. 626.914(2)~~, from a
177 risk retention group as defined under s. 627.942, from the Joint
178 Underwriting Association established under s. 627.351(4),
179 through a plan of self-insurance as provided in s. 627.357, or
180 through a plan of self-insurance that meets the conditions
181 specified for satisfying financial responsibility in s. 766.110.
182 The required coverage amount set forth in this paragraph may not
183 be used for litigation costs or attorney's fees for the defense
184 of any medical malpractice claim.

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186 This subsection shall be inclusive of the coverage in subsection
187 (1).

188 Section 5. Paragraph (a) of subsection (2) of section
189 464.0123, Florida Statutes, is amended to read:

190 464.0123 Autonomous practice by an advanced practice
191 registered nurse.—

192 (2) FINANCIAL RESPONSIBILITY.—

193 (a) An advanced practice registered nurse registered under
194 this section must, by one of the following methods, demonstrate
195 to the satisfaction of the board and the department financial
196 responsibility to pay claims and costs ancillary thereto arising
197 out of the rendering of, or the failure to render, nursing care,
198 treatment, or services:

199 1. Obtaining and maintaining professional liability
200 coverage in an amount not less than \$100,000 per claim, with a
201 minimum annual aggregate of not less than \$300,000, from an
202 authorized insurer as defined in s. 624.09, from a surplus lines
203 insurer as defined in s. 626.914(3) ~~s. 626.914(2)~~, from a risk
204

205 -----

206 **T I T L E A M E N D M E N T**

207 Remove lines 6-35 and insert:

208 "domestic surplus lines insurer"; clarifying that domestic
209 surplus lines insurers are not "authorized insurers"; creating
210 s. 626.91805, F.S.; defining the term "nonadmitted insurer";

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211 authorizing specified nonadmitted insurers to transact insurance
212 as domestic surplus lines insurers under certain circumstances;
213 authorizing such insurers to write surplus lines insurance in
214 any jurisdiction; requiring such insurers to maintain a minimum
215 surplus amount; requiring domestic surplus lines insurers to be
216 deemed eligible surplus lines insurers and to be included in the
217 list of eligible surplus lines insurers; authorizing such
218 insurers to write certain kinds of insurance; requiring domestic
219 surplus lines insurers to be considered unauthorized insurers
220 for specified purposes; requiring domestic surplus lines
221 insurers to be considered nonadmitted insurers for specified
222 purposes; authorizing domestic surplus lines insurers to write
223 only surplus lines insurance; limiting the circumstances under
224 which such insurers may write surplus lines insurance;
225 prohibiting such insurers from holding any certificate of
226 authority to operate as an admitted insurer; providing
227 applicability of specified provisions of the Florida Insurance
228 Code to domestic surplus lines insurers; providing an exception;
229 providing an exemption from a specified law for domestic surplus
230 lines insurers; providing exemptions from specified requirements
231 for surplus lines insurance policies issued by such insurers;
232 providing that such policies are subject to specified taxes but
233 are not subject to certain other taxes; providing that such
234 policies are not subject to the protections and requirements of
235 specified acts or funds; specifying domestic surplus lines

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COMMITTEE/SUBCOMMITTEE AMENDMENT

Bill No. HB 951 (2022)

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236 | insurers may not write homeowners policies, motor vehicle
237 | coverage, or workers compensation coverage under certain
238 | circumstances;