



220380

LEGISLATIVE ACTION

Senate

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House

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Floor: 16/F/2R

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05/24/2022 12:29 PM

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Senator Farmer moved the following:

Senate Amendment (with title amendment)

Between lines 1488 and 1489

insert:

Section 22. Subsection (2) and paragraph (a) of subsection
(3) of section 631.57, Florida Statutes, are amended to read:

631.57 Powers and duties of the association.—

(2) The association may:

(a) Employ or retain such persons as are necessary to
handle claims and perform other duties of the association;

(b) Borrow funds necessary to effect the purposes of this



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12 part in accord with the plan of operation. If it elects to
13 borrow funds, the association must compare the terms of any loan
14 agreement offered by an entity other than the state with the
15 terms of a loan agreement that would be offered by a state
16 entity, including, but not limited to, the Florida Hurricane
17 Catastrophe Fund, the Citizens Property Insurance Corporation,
18 or the Florida Retirement System Trust Fund. The association may
19 not enter into a loan agreement with an entity other than the
20 state if the terms for such a loan agreement would be less
21 favorable than those offered by a state entity;

22 (c) Sue or be sued, provided that service of process shall
23 be made upon the person registered with the department as agent
24 for the receipt of service of process; and

25 (d) Negotiate and become a party to such contracts as are
26 necessary to carry out the purpose of this part. Additionally,
27 the association may enter into such contracts with a
28 municipality, a county, or a legal entity created pursuant to s.
29 163.01(7)(g) as are necessary in order for the municipality,
30 county, or legal entity to issue bonds under s. 631.695. In
31 connection with the issuance of any such bonds and the entering
32 into of any such necessary contracts, the association may agree
33 to such terms and conditions as the association deems necessary
34 and proper.

35 (3) (a) To the extent necessary to secure funds for the
36 respective accounts for the payment of covered claims, to pay
37 the reasonable costs to administer such accounts, and to secure
38 funds for the account specified in s. 631.55(2)(b) or to retire
39 indebtedness, including, without limitation, the principal,
40 redemption premium, if any, and interest on, and related costs



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41 of issuance of, bonds issued under s. 631.695 and the funding of
42 reserves and other payments required under the bond resolution
43 or trust indenture pursuant to which such bonds have been
44 issued, the office, upon certification of the board of
45 directors, shall levy assessments in accordance with
46 subparagraph (f)1. or subparagraph (f)2. The office may not levy
47 any new assessment during the 12-month period beginning on the
48 effective date of this act. Any funds required for the purposes
49 of this paragraph during such period must be borrowed by the
50 association pursuant to paragraph (2) (b). Assessments shall be
51 remitted to and administered by the board of directors in the
52 manner specified by the approved plan and paragraph (f). Every
53 assessment shall be a uniform percentage. The assessments levied
54 against any insurer may not exceed in any one calendar year more
55 than 2 percent of that insurer's direct written premiums in this
56 state for the kinds of insurance included within such account.

57 Section 23. The Division of Law Revision is directed to
58 replace the phrase "the effective date of this act" wherever it
59 occurs in this act with the date this act becomes a law.

60
61 ===== T I T L E A M E N D M E N T =====

62 And the title is amended as follows:

63 Delete line 156

64 and insert:

65 proceedings; amending s. 631.57, F.S.; requiring the
66 Florida Insurance Guaranty Association to compare
67 terms of certain loan agreements; prohibiting the
68 association from entering into loan agreements with
69 entities other than the state under certain



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70 circumstances; prohibiting the office from levying
71 certain assessments during a specified period;
72 requiring that certain funds be borrowed by the
73 association pursuant to certain requirements;
74 providing a directive to the Division of Law Revision;
75 providing for construction of the act in