

By Senator DiCeglie

18-01176-25

20251712__

1 A bill to be entitled
2 An act relating to the Florida Hurricane Catastrophe
3 Fund and reinsurance assistance; amending s. 215.555,
4 F.S.; deleting obsolete language; specifying the
5 retention multiple for specified contracts under the
6 Florida Hurricane Catastrophe Fund program beginning
7 on a certain date; providing the adjusted retention
8 multiple for insurers electing the 100-percent
9 coverage level; requiring that the reimbursement
10 contract contain a promise by the State Board of
11 Administration to reimburse the insurer a specified
12 percentage of its losses and applicable loss
13 adjustment expenses; specifying the loss adjustment
14 expense for specified contracts and rates; modifying
15 the contract obligation of the board for a contract
16 year; conforming provisions to changes made by the
17 act; deleting provisions relating to reimbursements;
18 requiring that the hurricane loss portion of a
19 specified formula be determined by averaging the
20 results of certain catastrophe models; authorizing,
21 rather than requiring, a certain formula to provide
22 for a cash build-up factor; requiring the cash build-
23 up factor to be frozen beginning in a specified
24 contract year and to freeze for a specified period
25 ending by a specified date; requiring that the savings
26 realized as a result of the freeze of the cash build-
27 up factor be passed to consumers; requiring the board
28 to file certain premiums with the Office of Insurance
29 Regulation; requiring the office to review such

18-01176-25

20251712__

30 premiums; prohibiting certain costs from being added
31 to the cost of the reimbursement contracts; amending
32 s. 215.5551, F.S.; revising definitions applicable to
33 the Reinsurance to Assist Policyholders (RAP) program;
34 defining the term "eligible RAP insurer"; deleting the
35 definition of the term "RAP qualification ratio";
36 authorizing, rather than requiring, eligible RAP
37 insurers to purchase RAP coverage; revising
38 reimbursement under the RAP program; revising the
39 requirements of reimbursement contracts; deleting
40 calculations for specified amounts of losses to
41 determine reimbursement under the program; deleting
42 insurer eligibility requirements; deleting provisions
43 regarding deferral of coverage under the program;
44 requiring that reimbursement contracts require that
45 insurers annually pay actuarially indicated premiums;
46 deleting a prohibition against insurers being charged
47 premiums for participation in the program; revising
48 obsolete dates; prohibiting transfers from exceeding a
49 specified amount each contract year; revising
50 reporting requirements; revising the expiration date
51 of provisions governing the program; amending s.
52 215.5552, F.S.; revising definitions; revising the
53 coverage layers of the Florida Optional Reinsurance
54 Assistance (FORA) program; revising the coverage
55 limits for certain coverage layers; increasing the
56 maximum aggregate coverage limit for all coverage
57 layers; revising obsolete dates; revising requirements
58 of the reimbursement contract; deleting the

18-01176-25

20251712__

59 calculation of payout multiples; revising the FORA
60 layer retention calculations; revising the calculation
61 of premiums under the program; increasing the amount
62 that certain transfers may not exceed in a contract
63 year; requiring a transfer of a specified amount from
64 the FORA Fund into the Florida Hurricane Catastrophe
65 Fund; revising the expiration date of provisions
66 governing the program; providing an effective date.
67

68 Be It Enacted by the Legislature of the State of Florida:
69

70 Section 1. Paragraphs (c) and (e) of subsection (2),
71 paragraphs (b), (c), and (d) of subsection (4), paragraph (b) of
72 subsection (5), and paragraph (a) of subsection (7) of section
73 215.555, Florida Statutes, are amended to read:

74 215.555 Florida Hurricane Catastrophe Fund.—

75 (2) DEFINITIONS.—As used in this section:

76 (c) "Covered policy" means any insurance policy covering
77 residential property in this state, including, but not limited
78 to, any homeowner, mobile home owner, farm owner, condominium
79 association, condominium unit owner, tenant, or apartment
80 building policy, or any other policy covering a residential
81 structure or its contents issued by any authorized insurer,
82 including a commercial self-insurance fund holding a certificate
83 of authority issued by the Office of Insurance Regulation under
84 s. 624.462, the Citizens Property Insurance Corporation, and any
85 joint underwriting association or similar entity created under
86 law. The term "covered policy" includes any collateral
87 protection insurance policy covering personal residences which

18-01176-25

20251712__

88 protects both the borrower's and the lender's financial
89 interests, in an amount at least equal to the coverage amount
90 for the dwelling in place under the lapsed homeowner's policy,
91 the coverage amount that the homeowner has been notified of by
92 the collateral protection insurer, or the coverage amount that
93 the homeowner requests from the collateral protection insurer,
94 if such collateral protection insurance policy can be accurately
95 reported as required in subsection (5). Additionally, covered
96 policies include policies covering the peril of wind removed
97 from the ~~Florida Residential Property and Casualty Joint~~
98 ~~Underwriting Association or from the~~ Citizens Property Insurance
99 Corporation, created under s. 627.351(6), ~~or from the Florida~~
100 ~~Windstorm Underwriting Association, created under s. 627.351(2),~~
101 by an authorized insurer under the terms and conditions of an
102 executed assumption agreement between the authorized insurer and
103 ~~such association or~~ Citizens Property Insurance Corporation.
104 Each assumption agreement between ~~the association and~~ such
105 authorized insurer and ~~or~~ Citizens Property Insurance
106 Corporation must be approved by the Office of Insurance
107 Regulation before the effective date of the assumption, and the
108 Office of Insurance Regulation must provide written notification
109 to the board within 15 working days after such approval.
110 "Covered policy" does not include any policy that excludes wind
111 coverage or hurricane coverage or any reinsurance agreement and
112 does not include any policy otherwise meeting this definition
113 which is issued by a surplus lines insurer or a reinsurer. All
114 commercial residential excess policies and all deductible buy-
115 back policies that, based on sound actuarial principles, require
116 individual ratemaking shall be excluded by rule if the actuarial

18-01176-25

20251712__

117 soundness of the fund is not jeopardized. For this purpose, the
118 term "excess policy" means a policy that provides insurance
119 protection for large commercial property risks and that provides
120 a layer of coverage above a primary layer insured by another
121 insurer.

122 (e) "Retention" means the amount of losses below which an
123 insurer is not entitled to reimbursement from the fund. An
124 insurer's retention shall be calculated as follows:

125 1. The board shall calculate and report to each insurer the
126 retention multiples for that year. For the contract year
127 beginning June 1, 2025 ~~2005~~, the retention multiple must ~~shall~~
128 be equal to \$8.5 ~~\$4.5~~ billion ~~divided by the total estimated~~
129 ~~reimbursement premium for the contract year; for subsequent~~
130 ~~years, the retention multiple shall be equal to \$4.5 billion,~~
131 ~~adjusted based upon the reported exposure for the contract year~~
132 ~~occurring 2 years before the particular contract year to reflect~~
133 ~~the percentage growth in exposure to the fund for covered~~
134 ~~policies since 2004, divided by the total estimated~~
135 ~~reimbursement premium for the contract year. Total reimbursement~~
136 ~~premium for purposes of the calculation under this subparagraph~~
137 ~~shall be estimated using the assumption that all insurers have~~
138 ~~selected the 90-percent coverage level.~~

139 2. The retention multiple as determined under subparagraph
140 1. shall be adjusted to reflect the coverage level elected by
141 the insurer. For insurers electing the 100-percent coverage
142 level, the adjusted retention multiple is 90 percent of the
143 amount determined under subparagraph 1. For insurers electing
144 the 90-percent coverage level, the adjusted retention multiple
145 is 100 percent of the amount determined under subparagraph 1.

18-01176-25

20251712__

146 For insurers electing the 75-percent coverage level, the
147 retention multiple is 120 percent of the amount determined under
148 subparagraph 1. For insurers electing the 45-percent coverage
149 level, the adjusted retention multiple is 200 percent of the
150 amount determined under subparagraph 1.

151 3. An insurer shall determine its provisional retention by
152 multiplying its provisional reimbursement premium by the
153 applicable adjusted retention multiple and shall determine its
154 actual retention by multiplying its actual reimbursement premium
155 by the applicable adjusted retention multiple.

156 4. For insurers who experience multiple covered events
157 causing loss during the contract year, beginning June 1, 2005,
158 each insurer's full retention shall be applied to each of the
159 covered events causing the two largest losses for that insurer.
160 For each other covered event resulting in losses, the insurer's
161 retention shall be reduced to one-third of the full retention.
162 The reimbursement contract must ~~shall~~ provide for the
163 reimbursement of losses for each covered event based on the full
164 retention with adjustments made to reflect the reduced
165 retentions on or after January 1 of the contract year provided
166 the insurer reports its losses as specified in the reimbursement
167 contract.

168 (4) REIMBURSEMENT CONTRACTS.—

169 (b)1. The contract must ~~shall~~ contain a promise by the
170 board to reimburse the insurer for 45 percent, 75 percent, ~~or~~ 90
171 percent, or 100 percent of its losses and applicable loss
172 adjustment expenses from each covered event in excess of the
173 insurer's retention, ~~plus 5 percent of the reimbursed losses to~~
174 ~~cover loss adjustment expenses~~. For contracts and rates

18-01176-25

20251712__

175 effective on or after June 1, 2025 ~~2019~~, the loss adjustment
176 expense included ~~reimbursement~~ must be the lesser of 25 ~~10~~
177 percent of the total subject losses before reimbursement or the
178 total subject actual loss adjustment expenses ~~reimbursed losses~~.

179 2. The insurer must elect one of the percentage coverage
180 levels specified in this paragraph and may, upon renewal of a
181 reimbursement contract, elect a lower percentage coverage level
182 if no revenue bonds issued under subsection (6) after a covered
183 event are outstanding, or elect a higher percentage coverage
184 level, regardless of whether ~~or not~~ revenue bonds are
185 outstanding. All members of an insurer group must elect the same
186 percentage coverage level. Any joint underwriting association,
187 risk apportionment plan, or other entity created under s.
188 627.351 must elect the 90-percent coverage level.

189 3. The contract must ~~shall~~ provide that reimbursement
190 amounts may ~~shall~~ not be reduced by reinsurance paid or payable
191 to the insurer from other sources.

192 (c)1. The contract must ~~shall~~ also provide that the
193 obligation of the board with respect to all contracts covering a
194 particular contract year is ~~shall not exceed the actual claims-~~
195 ~~paying capacity of the fund up to a limit of \$17 billion for~~
196 ~~that contract year, unless the board determines that there is~~
197 ~~sufficient estimated claims-paying capacity to provide \$17~~
198 ~~billion of capacity for the current contract year and an~~
199 ~~additional \$17 billion of capacity for subsequent contract~~
200 ~~years. If the board makes such a determination, the estimated~~
201 ~~claims-paying capacity for the particular contract year shall be~~
202 ~~determined by adding to the \$17 billion limit one-half of the~~
203 ~~fund's estimated claims-paying capacity in excess of \$34~~

18-01176-25

20251712__

204 ~~billion. However, the dollar growth in the limit may not~~
205 ~~increase in any year by an amount greater than the dollar growth~~
206 ~~of the balance of the fund as of December 31, less any premiums~~
207 ~~or interest attributable to optional coverage, as defined by~~
208 ~~rule which occurred over the prior calendar year.~~

209 2. In May and October of the contract year, the board shall
210 publish in the Florida Administrative Register a statement of
211 the fund's estimated borrowing capacity, the fund's estimated
212 claims-paying capacity, and the projected balance of the fund as
213 of December 31. After the end of each calendar year, the board
214 shall notify insurers of the estimated borrowing capacity,
215 estimated claims-paying capacity, and the balance of the fund as
216 of December 31 to provide insurers with data necessary to assist
217 them in determining their retention and projected payout from
218 the fund for loss reimbursement purposes. In conjunction with
219 the development of the premium formula, as provided for in
220 subsection (5), the board shall publish factors or multiples
221 that assist insurers in determining their retention and
222 projected payout for the next contract year. For all regulatory
223 and reinsurance purposes, an insurer may calculate its projected
224 payout from the fund as its share of the total fund premium for
225 the current contract year multiplied by the sum of the projected
226 balance of the fund as of December 31 and the estimated
227 borrowing capacity for that contract year as reported under this
228 subparagraph.

229 (d)~~1~~. For purposes of determining potential liability and
230 to aid in the sound administration of the fund, the contract
231 must ~~shall~~ require each insurer to report such insurer's losses
232 from each covered event on an interim basis, as directed by the

18-01176-25

20251712__

233 board. The contract must ~~shall~~ require the insurer to report to
234 the board no later than December 31 of each year, and quarterly
235 thereafter, its reimbursable losses from covered events for the
236 year. The contract must ~~shall~~ require the board to determine and
237 pay, as soon as practicable after receiving these reports of
238 reimbursable losses, the initial amount of reimbursement due and
239 adjustments to this amount based on later loss information. The
240 adjustments to reimbursement amounts must ~~shall~~ require the
241 board to pay, or the insurer to return, amounts reflecting the
242 most recent calculation of losses.

243 ~~2. In determining reimbursements pursuant to this~~
244 ~~subsection, the contract shall provide that the board shall pay~~
245 ~~to each insurer such insurer's projected payout, which is the~~
246 ~~amount of reimbursement it is owed, up to an amount equal to the~~
247 ~~insurer's share of the actual premium paid for that contract~~
248 ~~year, multiplied by the actual claims-paying capacity available~~
249 ~~for that contract year.~~

250 ~~3. The board may reimburse insurers for amounts up to the~~
251 ~~published factors or multiples for determining each~~
252 ~~participating insurer's retention and projected payout derived~~
253 ~~as a result of the development of the premium formula in those~~
254 ~~situations in which the total reimbursement of losses to such~~
255 ~~insurers would not exceed the estimated claims-paying capacity~~
256 ~~of the fund. Otherwise, the projected payout factors or~~
257 ~~multiples shall be reduced uniformly among all insurers to~~
258 ~~reflect the estimated claims-paying capacity.~~

259 (5) REIMBURSEMENT PREMIUMS.—

260 (b) The State Board of Administration shall select an
261 independent consultant to develop a formula for determining the

18-01176-25

20251712__

262 actuarially indicated premium to be paid to the fund. The
263 hurricane loss portion of the formula must be determined by
264 averaging the results of all the catastrophe models approved by
265 the Florida Commission on Hurricane Loss Projection Methodology.
266 The formula must ~~shall~~ specify, for each zip code or other
267 limited geographical area, the amount of premium to be paid by
268 an insurer for each \$1,000 of insured value under covered
269 policies in that zip code or other area. In establishing
270 premiums, the board shall consider the coverage elected under
271 paragraph (4) (b) and any factors that tend to enhance the
272 actuarial sophistication of ratemaking for the fund, including
273 deductibles, type of construction, type of coverage provided,
274 relative concentration of risks, and other such factors deemed
275 by the board to be appropriate. The formula may ~~must~~ provide for
276 a cash build-up factor. ~~For the 2009-2010 contract year, the~~
277 ~~factor is 5 percent. For the 2010-2011 contract year, the factor~~
278 ~~is 10 percent. For the 2011-2012 contract year, the factor is 15~~
279 ~~percent. For the 2012-2013 contract year, the factor is 20~~
280 ~~percent.~~ For the 2013-2014 contract year and thereafter, the
281 factor is 25 percent; however, the cash build-up factor must be
282 frozen beginning in the 2025-2026 contract year and must freeze
283 for a 12-month period ending no later than July 1, 2026. Any
284 savings realized as a result of the freeze of the cash build-up
285 factor must be passed directly to the consumers. The formula may
286 provide for a procedure to determine the premiums to be paid by
287 new insurers that begin writing covered policies after the
288 beginning of a contract year, taking into consideration when the
289 insurer starts writing covered policies, the potential exposure
290 of the insurer, the potential exposure of the fund, the

18-01176-25

20251712__

291 administrative costs to the insurer and to the fund, and any
292 other factors deemed appropriate by the board. The formula must
293 be approved by unanimous vote of the board. The board may, at
294 any time, revise the formula pursuant to the procedure provided
295 in this paragraph. The board shall file the premiums to be paid
296 with the Office of Insurance Regulation, and the office shall
297 review such premiums.

298 (7) ADDITIONAL POWERS AND DUTIES.—

299 (a) The board may procure reinsurance from reinsurers
300 acceptable to the Office of Insurance Regulation for the purpose
301 of maximizing the capacity of the fund and may enter into
302 capital market transactions, including, but not limited to,
303 industry loss warranties, catastrophe bonds, side-car
304 arrangements, or financial contracts permissible for the board's
305 usage under s. 215.47(11) and (12), consistent with prudent
306 management of the fund. The cost of any reinsurance or other
307 capital market transaction other than issuing bonds secured by
308 assessments purchased by the board to maximize the claims-paying
309 capacity of the fund may not be added to the actuarially
310 determined cost of the reimbursement contracts.

311 Section 2. Section 215.5551, Florida Statutes, is amended
312 to read:

313 215.5551 Reinsurance to Assist Policyholders program.—

314 (1) CREATION OF THE REINSURANCE TO ASSIST POLICYHOLDERS
315 PROGRAM.—There is created the Reinsurance to Assist
316 Policyholders program to be administered by the State Board of
317 Administration.

318 (2) DEFINITIONS.—As used in this section, the term:

319 (a) "Board" means the State Board of Administration.

18-01176-25

20251712__

320 (b) "Contract year" means the period beginning on June 1 of
321 a specified calendar year and ending on May 31 of the following
322 calendar year.

323 (c) "Covered event" means any hurricane, tropical storm,
324 hail storm, tornado, wind event, or wildfire that ~~one storm~~
325 declared to be a hurricane by the National Hurricane Center,
326 which storm causes insured losses in this state.

327 (d) "Covered policy" has the same meaning as in s.
328 215.555(2)(c).

329 (e) "Eligible RAP insurer" means an insurer participating
330 in FHCF as of June 1 of a contract year. However, any joint
331 underwriting association, risk apportionment plan, or other
332 entity created under s. 627.351 is not considered a RAP insurer
333 and is prohibited from obtaining coverage under the RAP program.

334 (f)~~(e)~~ "FHCF" means the Florida Hurricane Catastrophe Fund
335 created under s. 215.555.

336 (g)~~(f)~~ "Losses and loss adjustment expenses" means the
337 amounts paid by an insurer to adjust and pay covered claims ~~has~~
338 ~~the same meaning as in s. 215.555(2)(d).~~

339 (h)~~(g)~~ "RAP" means the Reinsurance to Assist Policyholders
340 program created by this section.

341 (i)~~(h)~~ "RAP insurer" means an eligible RAP insurer that
342 elects to purchase ~~is a participating insurer in the FHCF on~~
343 ~~June 1, 2022, which must obtain~~ coverage under the RAP program
344 and ~~qualifies under subsection (5).~~ A However, any joint
345 underwriting association, risk apportionment plan, or other
346 entity created under s. 627.351 is not considered a RAP insurer
347 and is prohibited from obtaining coverage under the RAP program.

348 (j)~~(i)~~ "RAP limit" means, ~~for the 2022-2023 contract year,~~

18-01176-25

20251712__

349 the RAP insurer's maximum payout, which is its share of the \$2
350 billion per event and \$4 billion in the aggregate RAP layer
351 aggregate limit. The ratio of a RAP insurer's RAP limit to the
352 \$4 billion RAP layer aggregate limit may not exceed the ratio of
353 the RAP insurer's actual FHCF premium paid during that contract
354 year to the actual FHCF premium paid by all eligible RAP
355 insurers participating in the FHCF during that contract year For
356 the ~~2023-2024 contract year, for RAP insurers that are subject~~
357 ~~to participation deferral under subsection (6) and participate~~
358 ~~during the 2023-2024 contract year, the RAP limit means the RAP~~
359 ~~insurer's maximum payout, which is its share of the total amount~~
360 ~~of the RAP program layer aggregate limit deferred from 2022-~~
361 ~~2023.~~

362 ~~(j) "RAP qualification ratio" means:~~

363 ~~1. For the 2022-2023 contract year, the ratio of FHCF~~
364 ~~mandatory premium adjusted to 90 percent for RAP insurers~~
365 ~~divided by the FHCF mandatory premium adjusted to 90 percent for~~
366 ~~all insurers. The preliminary RAP qualification ratio shall be~~
367 ~~based on the 2021-2022 contract year's company premiums, as of~~
368 ~~December 31, 2021, adjusted to 90 percent based on the 2022-2023~~
369 ~~contract year coverage selections. The RAP qualification ratio~~
370 ~~shall be based on the reported 2022-2023 contract year company~~
371 ~~premiums, as of December 31, 2022, adjusted to 90 percent.~~

372 ~~2. For the 2023-2024 contract year, the ratio of FHCF~~
373 ~~mandatory premium adjusted to 90 percent for the qualified RAP~~
374 ~~insurers that have deferred RAP coverage to 2023-2024 divided by~~
375 ~~the FHCF mandatory premium adjusted to 90 percent for all~~
376 ~~insurers. The preliminary RAP qualification ratio shall be based~~
377 ~~on the 2022-2023 contract year's company premiums as of December~~

18-01176-25

20251712__

378 ~~31, 2022, adjusted to 90 percent based on the 2023-2024 contract~~
379 ~~year coverage selections. The RAP qualification ratio shall be~~
380 ~~based on the reported 2023-2024 contract year company premiums~~
381 ~~as of December 31, 2023, adjusted to 90 percent.~~

382 (k) "RAP reimbursement contract" means the reimbursement
383 contract reflecting the obligations of the RAP program to
384 insurers.

385 (l) "RAP retention" means the amount of losses below which
386 a RAP insurer is not entitled to reimbursement under the RAP
387 program.

388 (m) "Unsound insurer" means a RAP insurer determined by the
389 Office of Insurance Regulation to be in unsound condition as
390 defined in s. 624.80(2) or a RAP insurer placed in receivership
391 under chapter 631.

392 (3) COVERAGE.—

393 (a) An eligible RAP insurer may purchase RAP coverage ~~As a~~
394 ~~condition of doing business in this state, each RAP insurer~~
395 ~~shall obtain coverage under the RAP program.~~

396 (b) The board shall provide a reimbursement layer of \$2
397 billion per event below the FHCF retention for losses and loss
398 adjustment expenses paid to covered policies for covered events
399 ~~prior to the third event dropdown of the FHCF retention set~~
400 ~~forth in s. 215.555(2)(c). Subject to the mandatory notice~~
401 ~~provisions in subsection (5),~~ The board shall enter into a RAP
402 reimbursement contract with each eligible RAP insurer writing
403 covered policies in this state which requests RAP coverage to
404 provide to the insurer the reimbursement described in this
405 section.

406 (4) RAP REIMBURSEMENT CONTRACTS.—

18-01176-25

20251712__

407 (a)~~1~~. The board shall issue an initial a RAP reimbursement
408 contract to each eligible RAP insurer that requests RAP coverage
409 which is effective June 1, 2025. RAP contracts must be made
410 available annually thereafter until the fiscal year beginning
411 July 1, 2030.

412 a. ~~June 1, 2022, for RAP insurers that participate in the~~
413 ~~RAP program during the 2022-2023 contract year; or~~

414 b. ~~June 1, 2023, for RAP insurers that are subject to~~
415 ~~participation deferral under subsection (6) and participate in~~
416 ~~the RAP program during the 2023-2024 contract year.~~

417 2. ~~The reimbursement contract shall be executed no later~~
418 ~~than:~~

419 a. ~~July 15, 2022, for RAP insurers that participate in the~~
420 ~~RAP program during the 2022-2023 contract year; or~~

421 b. ~~March 1, 2023, for RAP insurers that are subject to~~
422 ~~participation deferral under subsection (6) and participate in~~
423 ~~the RAP program during the 2023-2024 contract year.~~

424 3. ~~If a RAP insurer fails to execute the RAP reimbursement~~
425 ~~contract by the dates required in this paragraph, the RAP~~
426 ~~insurance contract is deemed to have been executed by the RAP~~
427 ~~insurer.~~

428 (b) ~~For the two covered events with the largest losses, The~~
429 ~~RAP reimbursement contract must contain a promise by the board~~
430 ~~to reimburse the RAP insurer for 100 ~~90~~ percent of its losses~~
431 ~~and loss adjustment expenses from each covered event in excess~~
432 ~~of the insurer's RAP retention up to the RAP insurer's, ~~plus 10~~~~
433 ~~percent of the reimbursed losses to cover loss adjustment~~
434 ~~expenses. The sum of the losses and 10 percent loss adjustment~~
435 ~~expense allocation from the RAP layer may not exceed the RAP~~

18-01176-25

20251712__

436 limit. Recoveries on losses in the FHCF mandatory layer must
437 ~~shall~~ inure to the benefit of the RAP contract layer.

438 (c) The RAP reimbursement contract must provide that
439 reimbursement amounts are not reduced by reinsurance paid or
440 payable to the insurer from other sources excluding the FHCF.

441 ~~(d) The board shall calculate and report to each RAP~~
442 ~~insurer the RAP payout multiples as the ratio of the RAP~~
443 ~~industry limit of \$2 billion for the 2022-2023 contract year, or~~
444 ~~the deferred limit for the 2022-2023 contract year, to the~~
445 ~~mandatory FHCF retention multiplied by the mandatory FHCF~~
446 ~~retention multiples divided by the RAP qualification ratio. The~~
447 ~~RAP payout multiple for an insurer is multiplied by the RAP~~
448 ~~insurer's FHCF premium to calculate its RAP maximum payout. RAP~~
449 ~~payout multiples are calculated for 45 percent, 75 percent, and~~
450 ~~90 percent FHCF mandatory coverage selections.~~

451 ~~(e) A RAP insurer's RAP retention is calculated as follows:~~

452 ~~1. The board shall calculate and report to each RAP insurer~~
453 ~~the RAP retention multiples for each FHCF coverage selection as~~
454 ~~the FHCF retention multiple minus the RAP payout multiple. The~~
455 ~~RAP retention multiple for an insurer is multiplied by the RAP~~
456 ~~insurer's FHCF premium to calculate its RAP retention. RAP~~
457 ~~retention multiples are calculated for 45 percent, 75 percent,~~
458 ~~and 90 percent FHCF mandatory coverage selections.~~

459 ~~2. The RAP industry retention for the 2022-2023 contract~~
460 ~~year is the FHCF's industry retention minus \$2 billion, prior to~~
461 ~~allocation to qualifying RAP insurers. The RAP industry~~
462 ~~retention for the 2023-2024 contract year is the FHCF's industry~~
463 ~~retention for the 2023-2024 contract year minus the total~~
464 ~~deferred RAP limit, prior to allocation to qualifying RAP~~

18-01176-25

20251712__

465 insurers.

466 ~~3. A RAP insurer determines its actual RAP retention by~~
467 ~~multiplying its actual mandatory reimbursement FHCF premium by~~
468 ~~the RAP retention multiple.~~

469 (d) ~~(f)~~ To ensure that insurers have properly reported the
470 losses for which RAP reimbursements have been made, the board
471 may inspect, examine, and verify the records of each RAP
472 insurer's covered policies at such times as the board deems
473 appropriate for the specific purpose of validating the accuracy
474 of losses required to be reported under the terms and conditions
475 of the RAP reimbursement contract.

476 ~~(5) INSURER QUALIFICATION.~~

477 ~~(a) An insurer is not eligible to participate in the RAP~~
478 ~~program if the board receives a notice from the Commissioner of~~
479 ~~Insurance Regulation which certifies that the insurer is in an~~
480 ~~unsound financial condition no later than:~~

481 ~~1. June 15, 2022, for RAP insurers that participate during~~
482 ~~the 2022-2023 contract year; or~~

483 ~~2. February 1, 2023, for RAP insurers subject to~~
484 ~~participation deferral under subsection (6) that participate~~
485 ~~during the 2023-2024 contract year.~~

486 ~~(b) The office must make this determination based on the~~
487 ~~following factors:~~

488 ~~1. The insurer's compliance with the requirements to~~
489 ~~qualify for and hold a certificate of authority under s.~~
490 ~~624.404;~~

491 ~~2. The insurer's compliance with the applicable surplus~~
492 ~~requirements of s. 624.408;~~

493 ~~3. The insurer's compliance with the applicable risk-based~~

18-01176-25

20251712__

494 ~~capital requirements under s. 624.4085;~~

495 ~~4. The insurer's compliance with the applicable premium to~~
496 ~~surplus requirements under s. 624.4095; and~~

497 ~~5. An analysis of quarterly and annual statements,~~
498 ~~including an actuarial opinion summary, and other information~~
499 ~~submitted to the office pursuant to s. 624.424.~~

500 ~~(c) If the board receives timely notice pursuant to~~
501 ~~paragraph (a) regarding an insurer, such insurer is disqualified~~
502 ~~from participating in the RAP program.~~

503 ~~(6) PARTICIPATION DEFERRAL.—~~

504 ~~(a) A RAP insurer that has any private reinsurance that~~
505 ~~duplicates RAP coverage that such insurer would receive for the~~
506 ~~2022-2023 contract year shall notify the board in writing of~~
507 ~~such duplicative coverage no later than June 30, 2022.~~

508 ~~Participation in the RAP program for such RAP insurers shall be~~
509 ~~deferred until the 2023-2024 contract year.~~

510 ~~(b) A new participating insurer that begins writing covered~~
511 ~~policies in this state after June 1, 2022, is deemed to defer~~
512 ~~its RAP coverage to the 2023-2024 contract year.~~

513 ~~(5)(7) RAP PREMIUMS.—~~Each RAP reimbursement contract must
514 require that the insurer annually pay to the fund an actuarially
515 indicated premium for the full annual aggregate reimbursement
516 limit ~~Premiums may not be charged for participation in the RAP~~
517 ~~program.~~

518 ~~(6)(8) FHCF OBLIGATION CLAIMS-PAYING CAPACITY.—~~The RAP
519 program ~~may~~ shall not affect the obligation ~~claims-paying~~
520 ~~capacity~~ of the FHCF as provided in s. 215.555(4)(c)1.

521 ~~(7)(9) INSOLVENCY OF RAP INSURER.—~~

522 (a) The RAP reimbursement contract shall provide that in

18-01176-25

20251712__

523 the event of an insolvency of a RAP insurer, the RAP program
524 shall pay reimbursements directly to the applicable state
525 guaranty fund for the benefit of policyholders in this state of
526 the RAP insurer.

527 (b) If an authorized insurer or the Citizens Property
528 Insurance Corporation accepts an assignment of an unsound RAP
529 insurer's RAP contract, the FHCF shall apply the unsound RAP
530 insurer's RAP contract to such policies and treat the authorized
531 insurer or the Citizens Property Insurance Corporation as if it
532 were the unsound RAP insurer for the remaining term of the RAP
533 contract, with all rights and duties of the unsound RAP insurer
534 beginning on the date it provides coverage for such policies.

535 (8)~~(10)~~ VIOLATIONS.—Any violation of this section or of
536 rules adopted under this section constitutes a violation of the
537 insurance code.

538 (9)~~(11)~~ LEGAL PROCEEDINGS.—The board is authorized to take
539 any action necessary to enforce the rules, provisions, and
540 requirements of the RAP reimbursement contract, required by and
541 adopted pursuant to this section.

542 (10)~~(12)~~ RULEMAKING.—The board may adopt rules to implement
543 this section. In addition, the board may adopt emergency rules,
544 pursuant to s. 120.54, at any time, as are necessary to
545 implement this section for the 2025-2026 ~~2022-2023~~ fiscal year.
546 The Legislature finds that such emergency rulemaking power is
547 necessary in order to address a critical need in this ~~the~~
548 state's problematic property insurance market. The Legislature
549 further finds that the uniquely short timeframe needed to
550 effectively implement this section for the 2025-2026 ~~2022-2023~~
551 fiscal year requires that the board adopt rules as quickly as

18-01176-25

20251712__

552 practicable. Therefore, in adopting such emergency rules, the
 553 board need not make the findings required by s. 120.54(4)(a).
 554 Emergency rules adopted under this section are exempt from s.
 555 120.54(4)(c) and shall remain in effect until replaced by rules
 556 adopted under the nonemergency rulemaking procedures of chapter
 557 120, ~~which must occur no later than July 1, 2023.~~

558 (11)~~(13)~~ APPROPRIATION.—

559 (a) Within 60 days after a covered event, the board must
 560 ~~shall~~ submit written notice to the Executive Office of the
 561 Governor if the board determines that funds from the RAP program
 562 coverage established by this section will be necessary to
 563 reimburse RAP insurers for losses associated with the covered
 564 event. The initial notice, and any subsequent requests, must
 565 specify the amount necessary to provide RAP reimbursements. Upon
 566 receiving such notice, the Executive Office of the Governor
 567 shall instruct the Chief Financial Officer to draw a warrant
 568 from the General Revenue Fund for a transfer to the board for
 569 the RAP program in the amount requested. The Executive Office of
 570 the Governor shall provide written notification to the chair and
 571 vice chair of the Legislative Budget Commission at least 3 days
 572 before the effective date of the warrant. ~~Cumulative~~ Transfers
 573 authorized under this paragraph may not exceed \$4 ~~\$2~~ billion,
 574 less reimbursement premium paid, for each contract year.

575 (b) If general revenue funds are transferred to the board
 576 for the RAP program under paragraph (a), the board must ~~shall~~
 577 submit written notice to the Executive Office of the Governor
 578 that funds will be necessary for the administration of the RAP
 579 program and post-event examinations for covered events that
 580 require RAP coverage. The initial notice, and any subsequent

18-01176-25

20251712__

581 requests, must specify the amount necessary for administration
 582 of the RAP program and post-event examinations. Upon receiving
 583 such notice, the Executive Office of the Governor shall instruct
 584 the Chief Financial Officer to draw a warrant from the General
 585 Revenue Fund for a transfer to the board for the RAP program in
 586 the amount requested. The Executive Office of the Governor shall
 587 provide written notification to the chair and vice chair of the
 588 Legislative Budget Commission at least 3 days before the
 589 effective date of the warrant. ~~Cumulative~~ transfers authorized
 590 under this paragraph may not exceed \$5 million.

591 (c) No later than January 31, 2026 ~~2023~~, and quarterly
 592 thereafter, the board shall submit a report to the Executive
 593 Office of the Governor, the President of the Senate, and the
 594 Speaker of the House of Representatives detailing any
 595 reimbursements of the RAP program, all loss development
 596 projections, ~~the amount of RAP reimbursement coverage deferred~~
 597 ~~until the 2023-2024 contract year~~, and detailed information
 598 about administrative and post-event examination expenditures.

599 (12) ~~(14)~~ EXPIRATION DATE.—If no general revenue funds have
 600 been transferred to the board for the RAP program under
 601 subsection (11) ~~(13)~~ by June 30, 2030 ~~2025~~, this section expires
 602 on July 1, 2030 ~~2025~~. If general revenue funds have been
 603 transferred to the board for the RAP program under subsection
 604 (11) ~~(13)~~ by June 30, 2030 ~~2025~~, this section expires on July 1,
 605 2035 ~~2029~~, and all unencumbered RAP program funds shall be
 606 transferred by the board back to the General Revenue Fund
 607 unallocated.

608 Section 3. Paragraphs (c), (f), (h), (o), and (q) of
 609 subsection (2), subsections (3) through (6) and (10), paragraphs

18-01176-25

20251712__

610 (a) and (c) of subsection (11), and subsection (12) of section
 611 215.5552, Florida Statutes, are amended, and paragraph (d) is
 612 added to subsection (11) of that section, to read:

613 215.5552 Florida Optional Reinsurance Assistance program.—

614 (2) DEFINITIONS.—As used in this section, the term:

615 (c) “Covered event” means any event in which a catastrophe
 616 serial number is assigned by the Insurance Services Office’s
 617 Property Claim Services ~~has the same meaning as in s.~~

618 ~~215.555(2)(b).~~

619 (f) “Final FORA premium” means the premium due no later
 620 than March 1, ~~2024, paid by a FORA insurer~~ after the actual 2023
 621 FHCF premiums for that contract year are calculated.

622 (h) “FORA eligible insurer” means a FHCF participating
 623 insurer ~~as of November 30, 2022. New FHCF participants after~~
 624 ~~that date are ineligible for FORA coverage.~~ In addition, any
 625 joint underwriting association, risk apportionment plan, or
 626 other entity created under s. 627.351 is not considered a FORA
 627 insurer and may not obtain coverage under FORA.

628 (o) “Initial FORA premium” means the premium paid by a FORA
 629 insurer in the same installment plan as the FHCF premium ~~by July~~
 630 ~~1, 2023,~~ for coverage under the FORA program.

631 (q) “RAP insurer” has the same meaning as in s.

632 215.5551(2)(i) ~~s. 215.5551(2)(h).~~

633 (3) COVERAGE.—

634 (a) Each FORA eligible insurer may purchase coverage under
 635 FORA. The board shall provide three ~~four~~ optional layers above a
 636 \$500 million FHCF industry retention ~~below the FHCF retention~~
 637 ~~prior to the third event dropdown of the FHCF retention set~~
 638 ~~forth in s. 215.555(2)(c)4. Only RAP insurers required to~~

18-01176-25

20251712__

639 ~~participate in the 2022-2023 contract year may select FORA~~
640 ~~layers 1 through 3. All FORA eligible insurers may purchase FORA~~
641 ~~layer 4. If a RAP insurer required to participate in the 2022-~~
642 ~~2023 contract year chooses to purchase layer 2, 3, or 4, such~~
643 ~~layers must be purchased inclusive of the prior layer and cannot~~
644 ~~be purchased separately.~~

645 (b) FORA industry limits before ~~prior to~~ FORA insurer
646 selections are as follows:

- 647 1. FORA industry layer 1 limit is \$1 billion.
648 2. FORA industry layer 2 limit is \$1 billion.
649 ~~3. FORA industry layer 3 limit is \$2 billion divided by the~~
650 ~~RAP Qualification ratio minus \$2 billion.~~

651 ~~3.4.~~ FORA industry layer 3 ~~4~~ limit is \$1 billion ~~minus the~~
652 ~~total FORA industry limit selected for FORA layers 1, 2, and 3,~~
653 ~~plus the total FORA premium collected for FORA layers 1, 2, and~~
654 ~~3.~~

655 (c) The maximum aggregate coverage for all selected FORA
656 layers is \$3 ~~\$1~~ billion as provided under paragraph (11)(a) ~~plus~~
657 ~~premiums needed to fulfill the obligations of this section.~~

658 (4) FORA REIMBURSEMENT CONTRACTS.—

659 (a) FORA eligible insurers selecting coverage must execute
660 a FORA reimbursement contract with the board.

661 (b) The board must enter into a FORA reimbursement contract
662 effective June 1, 2025 ~~2023~~, with each FORA eligible insurer
663 electing to purchase coverage. Such contract must provide
664 coverage pursuant to this section in exchange for premium paid.

665 (c) The FORA reimbursement contract must be executed by the
666 FORA insurer no later than May 30 of the contract year ~~April 15,~~
667 ~~2023,~~ for layers 1 through 3, ~~and May 30, 2023,~~ for layer 4.

18-01176-25

20251712__

668 (d) For ~~the two~~ covered events with ~~the largest~~ losses for
669 the FORA insurer, the FORA reimbursement contract must contain a
670 promise by the board to reimburse the FORA insurer for 100
671 percent of its losses from each covered event in excess of the
672 lowest selected FORA layer's retention. The sum of the FORA
673 insurer's covered losses from ~~the two~~ covered events with ~~the~~
674 ~~largest~~ losses from each FORA layer may not exceed the FORA
675 insurer's combined selected FORA layer limit or limits.

676 (e) The FORA reimbursement contract must provide that
677 reimbursement amounts are not reduced by reinsurance paid or
678 payable to the insurer from ~~other~~ sources other than the
679 mandatory FHCF layer.

680 ~~(f) The board shall calculate and report to each FORA~~
681 ~~insurer the initial and final FORA payout multiples for each~~
682 ~~FORA layer using the source data described in paragraph (5)(a).~~

683 ~~1. For FORA layer 1, the FORA payout multiple is the~~
684 ~~quotient of \$1 billion divided by the FHCF industry aggregate~~
685 ~~retention multiplied by the FHCF retention multiple for the FHCF~~
686 ~~coverage selected.~~

687 ~~2. For FORA layer 2, the FORA payout multiple is the~~
688 ~~quotient of \$1 billion divided by the FHCF industry aggregate~~
689 ~~retention multiplied by the FHCF retention multiple for the FHCF~~
690 ~~coverage selected.~~

691 ~~3. For FORA layer 3, the FORA payout multiple is calculated~~
692 ~~as follows: the numerator is the quotient of \$2 billion divided~~
693 ~~by the RAP qualification ratio as defined in s. 215.5551(2)(j)~~
694 ~~minus \$2 billion. The denominator is the FHCF industry aggregate~~
695 ~~retention. The FORA multiple is the FHCF retention multiple~~
696 ~~multiplied by the numerator divided by the denominator.~~

18-01176-25

20251712__

697 ~~4. The FORA layer 4 payout multiple is the total FORA~~
698 ~~industry layer 4 limit divided by the FHCF industry aggregate~~
699 ~~retention multiplied by the FHCF retention multiple for the FHCF~~
700 ~~coverage selected. For FORA layer 4, the total FORA industry~~
701 ~~layer limit is \$1 billion minus the total FORA industry limit~~
702 ~~selected for FORA layers 1, 2, and 3, plus the total FORA~~
703 ~~premium collected for FORA layers 1, 2, and 3.~~

704 ~~(g) For each FORA layer, the FORA payout multiple is~~
705 ~~multiplied by the FORA insurer's FHCF premium to calculate its~~
706 ~~FORA maximum payout. FORA payout multiples are calculated for 45~~
707 ~~percent, 75 percent, and 90 percent FHCF mandatory coverage~~
708 ~~selections.~~

709 ~~(f)(h)~~ For a FORA insurer that selects more than one layer,
710 the FORA layer limits must ~~shall~~ be combined to a single
711 aggregate limit for ~~the two~~ covered events with ~~the largest~~
712 losses for the FORA insurer.

713 ~~(g)(i)~~ FORA layer retentions are calculated as follows:

714 1. For each FORA layer, the board shall calculate and
715 report to each FORA insurer the initial and final FORA retention
716 multiples for each FHCF coverage selection as the FORA layer
717 retention divided by the total estimated reimbursement FHCF
718 premium for the contract year FHCF retention multiple minus the
719 FORA payout multiple using the source data described in
720 paragraph (5) (a). Total reimbursement premium for purposes of
721 the calculation under this subparagraph must be estimated using
722 the assumption that all insurers have selected the 90-percent
723 coverage level. The FORA retention multiple is multiplied by the
724 FORA insurer's FHCF premium to calculate its FORA retention.
725 FORA retention multiples are calculated for 45 percent, 75

18-01176-25

20251712__

726 percent, and 90 percent FHCF mandatory coverage selections.

727 2. The retention multiple as determined under subparagraph
728 1. must be adjusted to reflect the coverage level elected by the
729 insurer. For insurers electing the 90-percent coverage level,
730 the adjusted retention multiple is 100 percent of the amount
731 determined under subparagraph 1. For insurers electing the 75-
732 percent coverage level, the retention multiple is 120 percent of
733 the amount determined under subparagraph 1. For insurers
734 electing the 45-percent coverage level, the adjusted retention
735 multiple is 200 percent of the amount determined under
736 subparagraph 1 ~~The FORA industry retention for the 2023-2024~~
737 ~~contract year for FORA layer 1 is the FHCF's industry retention~~
738 ~~minus \$1 billion. The FORA layer 2 industry retention is the~~
739 ~~FHCF industry retention minus \$2 billion. The FORA layer 3~~
740 ~~industry retention is the FHCF's industry retention minus the~~
741 ~~quotient of \$2 billion divided by the RAP qualification ratio.~~
742 ~~The FORA layer 4 industry retention is the FORA layer 3~~
743 ~~retention minus the FORA layer 4 limit.~~

744 3. A FORA insurer's initial and final FORA retentions are
745 determined by multiplying its FHCF reimbursement premium by the
746 FORA retention multiple for each FHCF coverage selection using
747 the source data in paragraph (5) (a).

748 4. For a FORA insurer that selects more than one layer, the
749 FORA combined layer retention is ~~shall be~~ the lowest selected
750 layer retention for each of the ~~two covered~~ events with the
751 ~~largest~~ losses for the FORA insurer.

752 (h) ~~(j)~~ To ensure that insurers have properly reported the
753 losses for which FORA reimbursements have been made, the board
754 may inspect, examine, and verify the records of each FORA

18-01176-25

20251712__

755 participating insurer's covered policies at such times as the
756 board deems appropriate for the specific purpose of validating
757 the accuracy of losses required to be reported under the terms
758 and conditions of the FORA reimbursement contract.

759 (5) FORA PREMIUMS.—

760 (a) Each FORA reimbursement contract must require that the
761 insurer annually pay to the fund an actuarially indicated
762 premium for the annual aggregate limit. ~~Premiums shall be~~
763 ~~charged as follows:~~

764 1. ~~Fifty percent Rate on Line multiplied by the FORA~~
765 ~~insurer's FORA layer 1 limit.~~

766 2. ~~Fifty-five percent Rate on Line multiplied by the FORA~~
767 ~~insurer's FORA layer 2 limit.~~

768 3. ~~Sixty percent Rate on Line multiplied by the FORA~~
769 ~~insurer's FORA layer 3 limit.~~

770 4. ~~Sixty-five percent Rate on Line multiplied by the FORA~~
771 ~~insurer's FORA layer 4 limit.~~

772 (b) Initial FORA premiums must ~~shall~~ be based on the
773 contract year 2023 FHCF projected industry retention, FHCF
774 retention multiples, ~~2022 RAP qualification ratio~~, and insurers'
775 prior contract year 2022 FHCF premiums. Final FORA premiums will
776 be adjusted after December 31 of the contract year, ~~2023~~, based
777 on FHCF premiums on December 31 of the contract year, ~~2023~~, ~~FHCF~~
778 ~~premiums~~, FHCF industry retention, ~~the 2023 RAP qualification~~
779 ~~ratio~~, and insurers' 2023 FHCF premiums for the contract year.

780 (c) Failure to pay the initial FORA premium in full by
781 December 1 of the contract year will ~~July 1, 2023~~, ~~shall~~ result
782 in disqualification as a FORA insurer. The final FORA premium
783 will be due no later than March 1 following the contract year,

18-01176-25

20251712__

784 2024.

785 (6) FHCF OBLIGATION ~~CLAIMS-PAYING CAPACITY~~.—FORA may ~~shall~~
786 not affect the obligation ~~claims-paying capacity~~ of the FHCF as
787 provided in s. 215.555(4)(c)1.

788 (10) RULEMAKING.—The board may adopt rules to implement
789 this section. In addition, the board may adopt emergency rules
790 pursuant to s. 120.54(4) at any time as are necessary to
791 implement this section for the 2025-2026 ~~2023-2024~~ fiscal year.
792 The Legislature finds that such emergency rulemaking power is
793 necessary in order to address a critical need in the state's
794 problematic property insurance market. The Legislature further
795 finds that the uniquely short timeframe needed to effectively
796 implement this section for the 2025-2026 ~~2023-2024~~ fiscal year
797 requires that the board adopt rules as quickly as practicable.
798 Therefore, in adopting such emergency rules, the board need not
799 make the findings required by s. 120.54(4)(a). Emergency rules
800 adopted under this section are exempt from s. 120.54(4)(c) and
801 shall remain in effect until replaced by rules adopted under the
802 nonemergency rulemaking procedures of chapter 120, which must
803 occur no later than December 31 of the contract year, ~~2023~~.

804 (11) APPROPRIATION.—

805 (a) Within 60 days after a covered event, the board must
806 ~~shall~~ submit written notice to the Executive Office of the
807 Governor if the board determines that funds from FORA coverage
808 established by this section will be necessary to reimburse FORA
809 insurers for losses associated with the covered event. The
810 initial notice, and any subsequent requests, must specify the
811 amount necessary to provide FORA reimbursements. Upon receiving
812 such notice, the Executive Office of the Governor shall instruct

18-01176-25

20251712__

813 the Chief Financial Officer to draw a warrant from the General
 814 Revenue Fund for a transfer to the board for FORA in the amount
 815 requested. The Executive Office of the Governor shall provide
 816 written notification to the chair and vice chair of the
 817 Legislative Budget Commission at least 3 days before the
 818 effective date of the warrant. ~~Cumulative~~ Transfers authorized
 819 under this paragraph may not exceed \$3 \$1 billion, less
 820 reimbursement premium paid, per contract year.

821 (c) If a covered event occurs that triggers reimbursements
 822 under FORA, no later than January 31 following the covered
 823 event, 2024, and quarterly thereafter, the board must ~~shall~~
 824 submit a report to the Executive Office of the Governor, the
 825 President of the Senate, and the Speaker of the House of
 826 Representatives detailing any reimbursements of FORA, all
 827 premiums collected, all loss development projections, and
 828 detailed information about administrative and post-event
 829 examination activities and expenditures.

830 (d) On July 1, 2025, or as soon as reasonably practicable
 831 thereafter, the Executive Office of the Governor shall instruct
 832 the Chief Financial Officer to draw a warrant from the FORA Fund
 833 and transfer \$580 million into FHCF to offset losses that occur
 834 as result of the freeze of the cash build-up as set forth in s.
 835 215.555 (5) (b).

836 (12) EXPIRATION DATE.—If no general revenue funds have been
 837 transferred to the board for FORA under subsection (11) by June
 838 30, 2030 2026, this section expires on July 1, 2030 2026. If
 839 general revenue funds have been transferred to the board for
 840 FORA under subsection (11) by June 30, 2030 2026, this section
 841 expires on July 1, 2035 2030, and all unencumbered funds

18-01176-25

20251712__

842 collected under this section shall be transferred by the board
843 back to the General Revenue Fund unallocated.

844 Section 4. This act shall take effect upon becoming a law.