

House Bill No. 1115

An act relating to bail bond premiums; creating s. 624.4094, F.S.; requiring reporting of net amounts of certain bail bond premiums; providing a minimum requirement for direct written premiums for bail bonds; providing application; providing reporting requirements for assumed premiums; requiring recordkeeping; requiring disclosure of certain information in annual statements; providing an effective date.

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

Section 1. Section 624.4094, Florida Statutes, is created to read:

624.4094 Bail bond premiums.—

(1) The Legislature finds that a significant portion of bail bond premiums is retained by the licensed bail bond agents or licensed managing general agents. For purposes of reporting in financial statements required to be filed with the department pursuant to s. 624.424, direct written premiums for bail bonds by a domestic insurer in this state shall be reported net of any amounts retained by licensed bail bond agents or licensed managing general agents. However, in no case shall the direct written premiums for bail bonds be less than 6.5 percent of the total consideration received by the agent for all bail bonds written by the agent. This subsection also applies to any determination of compliance with s. 624.4095.

(2) Premiums assumed by a domestic insurer shall be reported consistent with subsections (1) and (4) for purposes of filing financial statements with the department.

(3) Each domestic bail bond insurer shall keep complete and accurate records of the total consideration paid for all bail bonds written by such insurer.

(4) Each domestic bail bond insurer shall disclose the following information in the notes to the financial statement in the insurer's annual statement filed with the department.

(a) The gross bail bond premiums written in each state by agents for the company.

(b) The amount of premium taxes incurred by the company in each state.

(c) Total consideration withheld by agents and not reported as an expense by the insurer in financial statements filed with the department.

(d) The amount of bail bond premium included on the surety line of the annual statement filed with the department.

(5) This section does not affect the reporting or payment of insurance premium taxes under ss. 624.509, 624.5091, and 624.5092, and the insur-

ance premium tax and related excise taxes shall continue to be calculated using gross bail bond premiums.

Section 2. This act shall take effect October 1, 2000 and shall apply to premiums written for calendar year 2000 and thereafter.

Approved by the Governor April 24, 2000.

Filed in Office Secretary of State April 24, 2000.