

Committee Substitute for Senate Bill No. 1744

An act relating to the Florida Statutes; repealing or deleting various statutory provisions that have become obsolete, have had their effect, have served their purpose, or have been impliedly repealed or superseded; amending s. 624.408, F.S.; deleting an obsolete schedule provision relating to the surplus required to be maintained by certain property and casualty insurers; repealing s. 624.515(2)(b), F.S., relating to applicability of the surcharge on policies of fire, allied lines, or multiperil insurance insuring commercial property; repealing s. 626.9929, F.S., relating to a grace period under the Viatical Settlement Act; amending s. 627.0628, F.S.; deleting obsolete provisions relating to adoption and revision of hurricane loss projection standards and guidelines; repealing s. 627.072(4)(c), F.S., relating to a directive to the Insurance Commissioner on the use of a methodology for establishing rates for workers' compensation and employer's liability insurance; amending s. 627.215, F.S.; deleting an obsolete reporting requirement on the excess profits law; amending s. 627.3511, F.S.; deleting findings relating to the need to reduce the number of Residential Property and Casualty Joint Underwriting Association policies; repealing s. 627.706(5), F.S., relating to applicability of sinkhole insurance requirements; amending s. 629.520, F.S.; deleting obsolete provisions relating to the authority of limited reciprocal insurers; amending s. 633.41, F.S.; deleting an obsolete provision relating to firefighter certificates of tenure; repealing pt. XXII, ch. 627, F.S., relating to Workers' Compensation Insurance Purchasing Alliance; providing an effective date.

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

Section 1. Paragraph (b) of subsection (1) of section 624.408, Florida Statutes, is amended to read:

624.408 Surplus as to policyholders required; new and existing insurers.—

(1)

(b) For any property and casualty insurer holding a certificate of authority on December 1, 1993, the following amounts apply instead of the \$4 million required by subparagraph (a)5.:

- ~~1.~~ On December 31, 1998, and until December 30, 1999, ~~\$2.25 million.~~
- 1.2. On December 31, 1999, and until December 30, 2000, \$2.5 million.
- ~~2.3.~~ On December 31, 2000, and until December 30, 2001, \$2.75 million.
- 3.4. On December 31, 2001, and until December 30, 2002, \$3 million.
- 4.5. On December 31, 2002, and until December 30, 2003, \$3.25 million.

5.6. On December 31, 2003, and until December 30, 2004, \$3.6 million.

6.7. On December 31, 2004, and thereafter, \$4 million.

Section 2. Paragraph (b) of subsection (2) of section 624.515, Florida Statutes, is repealed.

Section 3. Section 626.9929, Florida Statutes, is repealed.

Section 4. Paragraph (d) of subsection (3) of section 627.0628, Florida Statutes, is amended to read:

627.0628 Florida Commission on Hurricane Loss Projection Methodology.—

(3) ADOPTION AND EFFECT OF STANDARDS AND GUIDELINES.—

(d) The commission shall adopt initial actuarial methods, principles, standards, models, or output ranges no later than December 31, 1995. The commission shall adopt revisions to previously adopted such actuarial methods, principles, standards, models, or output ranges at least annually thereafter. As soon as possible, but no later than July 1, 1996, the commission shall adopt revised actuarial methods, principles, standards, models, or output ranges which include specification of acceptable computer models or output ranges derived from computer models.

Section 5. Paragraph (c) of subsection (4) of section 627.072, Florida Statutes, is repealed.

Section 6. Subsection (14) of section 627.215, Florida Statutes, is amended to read:

627.215 Excessive profits for workers' compensation, employer's liability, commercial property, and commercial casualty insurance prohibited.—

(14) The application of this law to commercial property and commercial casualty insurance, which includes commercial umbrella liability insurance, ceases on January 1, 1997. The Department of Insurance shall, no later than October 1, 1995, provide a report on this law to the President of the Senate and the Speaker of the House of Representatives, which report includes a history of the excess profits law and a year-by-year listing of excess profits returned to policyholders as refunds or credits.

Section 7. Subsection (1) of section 627.3511, Florida Statutes, is amended to read:

627.3511 Depopulation of Residential Property and Casualty Joint Underwriting Association.—

(1) LEGISLATIVE FINDINGS AND INTENT.—The Legislature finds and declares that the Residential Property and Casualty Joint Underwriting Association has written an amount of policies beyond legislative expectations and has become, by virtue of its size, a significant impediment to the restoration of a stable and competitive residential property insurance market in this state; that the public policy of this state requires the maintenance

of a residual market for residential property insurance; and that extraordinary measures, beyond implementation of eligibility criteria and noncompetitive rates, are required to reduce the number of policies written by the Residential Property and Casualty Joint Underwriting Association to a reasonable level. It is the intent of the Legislature to provide a variety of financial incentives to encourage the replacement of the highest possible number of Residential Property and Casualty Joint Underwriting Association policies with policies written by admitted insurers at approved rates.

Section 8. Subsection (5) of section 627.706, Florida Statutes, is repealed.

Section 9. Section 629.520, Florida Statutes, is amended to read:

~~629.520 Abolition of existing Authority of the department to issue a certificate of authority as a limited reciprocal insurer.—On October 1, 1991, the existing authority of the department to issue a certificate of authority as a limited reciprocal insurer pursuant to this chapter is abolished. Existing limited reciprocal insurers which continue to hold a certificate of authority after this date shall have until October 1, 1992, to convert their certificate of authority by meeting the requirements for a certificate of authority as another type of insurer authorized under this code. All existing certificates of authority as a limited reciprocal insurer not so converted shall automatically terminate on October 1, 1992. The authority of any limited reciprocal insurer to accept new business or renewals shall not continue beyond October 1, 1992; however, such limited reciprocal insurer shall continue to service its obligations previously incurred or with the approval of the department, arrange for the transfer of these obligations to an authorized insurer. All power of the department with respect to limited reciprocal insurers shall continue undiminished. This section does not affect any other power of the department or any other function of the department.~~

Section 10. Section 633.41, Florida Statutes, is amended to read:

633.41 Saving clause.—Firefighters employed on July 5, 1969, are not required to meet the provisions of ss. 633.34 and 633.35 as a condition of tenure or continued employment; nor shall their failure to fulfill such requirements make them ineligible for any promotional examination for which they are otherwise eligible or affect in any way any pension rights to which they may be entitled on July 5, 1969. ~~Firefighters employed on July 5, 1969, who have not yet been issued a certificate of tenure shall make application to the Florida State Fire College for such certificate no later than June 30, 1990, after which date no certificates of tenure will be issued.~~

Section 11. Sections 627.990, 627.991, and 627.992, Florida Statutes, are repealed.

Section 12. This act shall take effect upon becoming a law.

Approved by the Governor June 20, 2000.

Filed in Office Secretary of State June 20, 2000.