

THE FLORIDA SENATE
2015 SUMMARY OF LEGISLATION PASSED
Committee on Banking and Insurance

CS/HB 189 — Insurance Guaranty Associations

by Finance and Tax Committee and Rep. Cummings (CS/CS/SB 600 by Commerce and Tourism Committee; Banking and Insurance Committee; and Senator Richter)

The bill clarifies the statutory accounting treatment of assessments levied by the Florida Insurance Guaranty Association (FIGA) and codifies the Office of Insurance Regulation's interpretation for such treatment. The FIGA provides a mechanism for payment of covered claims of an insolvent property and casualty insurer, and may levy regular assessments and emergency assessments to raise funds to pay the claims. An insurer may recoup such assessments from policyholders. The bill provides that such assessments are generally admissible assets for purposes of determining the financial condition of an insurer.

The bill also clarifies that the Florida Life and Health Insurance Guaranty Association must review policies, contracts, and claims of both foreign and domestic insurer-members.

If approved by the Governor, these provisions take effect July 1, 2015.

Vote: Senate 38-0; House 117-0