

THE FLORIDA SENATE
2014 SUMMARY OF LEGISLATION PASSED
Committee on Banking and Insurance

CS/CS/SB 1344 — Insurance

by Rules Committee; Banking and Insurance Committee; and Senator Braynon

The bill provides that the Property Casualty Insurers Association of America and the Florida Insurance Council will make recommendations to the Chief Financial Officer (CFO) for appointments to the board of governors of the Florida Medical Malpractice Joint Underwriting Association.

This bill provides that the CFO may select the representative of casualty insurers on the Florida Birth-Related Neurological Injury Compensation Association (NICA) board of directors from a list of at least three names, one recommended by the Property Casualty Insurers Association of America, one recommended by the Florida Insurance Council, and one recommended by the American Insurance Association. This bill provides that the American Congress of Obstetricians and Gynecologists, District XII will make recommendations to the CFO for an appointment to the NICA board of directors. The CFO is not required to make a selection from the trade association nominees.

This bill provides that the Governor must appoint one member to the eleven member board of directors of the Florida Workers' Compensation Insurance Guaranty Association. This member must have commercial insurance experience. This bill reduces from 3 to 2 the members of the board of directors that are selected by self-insurance funds and appointed by the CFO.

This bill changes the information that must be filed with the Office of Insurance Regulation (OIR) as part of an application for a certificate of authority to act as an insurance administrator and allows an insurer that uses the services of an administrator to contract with a qualified third party to conduct the required semiannual review of an administrator. The bill requires the applicant to provide the names, addresses, official positions and professional qualifications of individuals who are employed or retained by the administrator and who are responsible for the conduct of the affairs of the administrator. This bill allows an insurer who uses the services of an administrator to contract with a qualified third party to conduct the required semiannual review of an administrator that administers benefits for more than 100 certificateholders on behalf of the insurer. This bill also requires that the written agreement between an insurer and an administrator specifies the rights, duties, and obligations of the administrator and insurer.

This bill amends s. 626.89, F.S., to change the filing date for annual reports with the OIR from March 1, to within 3 months after the end of the administrator's fiscal year. This bill also allows the financial statement to cover the previous fiscal year, rather than a calendar year, if the administrator's accounting is on a fiscal year basis.

This bill amends sections 626.9541 and 627.7283, F.S., to allow the refund of unearned motor vehicle insurance premium by electronic transfer.

If approved by the Governor, these provisions take effect July 1, 2014.

This summary is provided for information only and does not represent the opinion of any Senator, Senate Officer, or Senate Office.
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Vote: Senate 37-0; House 112-1