

27 | compensation insurers for the preceding calendar year.
 28 | Assessments levied against insurers and self-insurance funds
 29 | pursuant to this paragraph must be computed and levied on the
 30 | basis of the full policy premium value on the net direct written
 31 | premium amount as set forth in the state for workers'
 32 | compensation insurance without consideration of any applicable
 33 | discount or credit for deductibles. Insurers and self-insurance
 34 | funds must report premiums in compliance with this paragraph.
 35 | Assessments shall be remitted to and administered by the board
 36 | of directors in the manner specified by the approved plan of
 37 | operation and paragraph (d). ~~The board shall give each insurer~~
 38 | ~~so assessed at least 30 days' written notice of the date the~~
 39 | ~~assessment is due and payable.~~ Each assessment shall be a
 40 | uniform percentage applicable to the net direct written premiums
 41 | of each insurer writing workers' compensation insurance.

42 | ~~1. Beginning July 1, 1997,~~ Assessments levied against
 43 | insurers and, ~~other than~~ self-insurance funds, shall not exceed
 44 | in any calendar year more than 2 percent of that insurer's net
 45 | direct written premiums in this state for workers' compensation
 46 | insurance ~~during the calendar year next preceding the date of~~
 47 | ~~such assessments.~~

48 | (b) Member insurers shall collect surcharges at a uniform
 49 | percentage rate for a period of 12 months beginning on January
 50 | 1, April 1, July 1, or October 1, whichever is the first day of
 51 | the following calendar quarter as specified in an order issued
 52 | by the office directing insurers to pay an assessment to the

53 association. The surcharge may not begin until 90 days after the
54 board of directors certifies the assessment.

55 ~~2. Beginning July 1, 1997, assessments levied against~~
56 ~~self-insurance funds shall not exceed in any calendar year more~~
57 ~~than 1.50 percent of that self-insurance fund's net direct~~
58 ~~written premiums in this state for workers' compensation~~
59 ~~insurance during the calendar year next preceding the date of~~
60 ~~such assessments.~~

61 ~~3. Beginning July 1, 2003, assessments levied against~~
62 ~~insurers and self-insurance funds pursuant to this paragraph are~~
63 ~~computed and levied on the basis of the full policy premium~~
64 ~~value on the net direct premiums written in the state for~~
65 ~~workers' compensation insurance during the calendar year next~~
66 ~~preceding the date of the assessment without taking into account~~
67 ~~any applicable discount or credit for deductibles. Insurers and~~
68 ~~self-insurance funds must report premiums in compliance with~~
69 ~~this subparagraph.~~

70 ~~(b) Assessments shall be included as an appropriate factor~~
71 ~~in the making of rates.~~

72 ~~(c) 1. Effective July 1, 1999, If assessments otherwise~~
73 ~~authorized in paragraph (a) are insufficient to make all~~
74 ~~payments on reimbursements then owing to claimants in a calendar~~
75 ~~year, then upon certification by the board, the office~~
76 ~~department shall levy additional assessments of up to 1.5~~
77 ~~percent of the insurer's net direct written premiums in this~~
78 ~~state during the calendar year next preceding the date of such~~

79 ~~assessments against insurers to secure the necessary funds.~~

80 (d) The association may use an installment method to
81 require the insurer to remit the assessment as premium is
82 written or may require the insurer to remit the assessment to
83 the association before collecting the policyholder surcharge. If
84 the assessment is remitted before the surcharge is collected,
85 the assessment remitted must be based on an estimate of the
86 assessment due based on the proportion of each insurer's net
87 direct written premium in this state for the preceding calendar
88 year as described in paragraph (a) and adjusted following the
89 end of the 12-month period during which the assessment is
90 levied.

91 1. If the association elects to use the installment
92 method, the office may, in the order levying the assessment on
93 insurers, specify that the assessment is due and payable
94 quarterly as premium is written throughout the assessment year.
95 Insurers shall collect surcharges at a uniform percentage rate
96 specified by order as described in paragraph (b). Insurers are
97 not required to advance funds if the association and the office
98 elect to use the installment option. Assessments levied under
99 this subparagraph are paid after policy surcharges are
100 collected, and the recognition of assets is based on actual
101 premium written offset by the obligation to the association.

102 2. If the association elects to require insurers to remit
103 the assessment prior to surcharging the policyholder, the
104 following shall apply:

105 a. The levy order shall provide each insurer so assessed
106 at least 30 days written notice of the date the initial
107 assessment payment is due and payable by the insurer.

108 b. Insurers shall collect surcharges at a uniform
109 percentage rate specified by the order, as described in
110 paragraph (b).

111 c. Insurers must submit a reconciliation report to the
112 association within 120 days after the end of the 12-month
113 assessment period. The report must indicate the amount of the
114 initial payment made to the association and the amount of
115 written premium pursuant to paragraph (a) for the assessment
116 year. If the insurer's reconciled assessment obligation is more
117 than the amount initially paid to the association, the insurer
118 shall pay the excess surcharges collected to the association. If
119 the insurer's reconciled assessment obligation is less than the
120 initial amount paid to the association, the association shall
121 credit the insurer that amount against future assessments.

122 d. Assessments levied under this subparagraph are paid
123 before policy surcharges are billed and result in a receivable
124 for policy surcharges to be billed in the future. The amount of
125 billed surcharges, to the extent it is likely that it will be
126 realized, meets the definition of an admissible asset as
127 specified in the National Association of Insurance
128 Commissioners' Statement of Statutory Accounting Principles No.
129 4. The asset shall be established and recorded separately from
130 the liability. If an insurer is unable to fully recoup the

131 amount of the assessment, the amount recorded as an asset shall
132 be reduced to the amount reasonably expected to be recouped.

133 (2) Assessments levied under this section are not premium
134 and are not subject to any premium tax, fees, or commissions.
135 Insurers shall treat the failure of an insured to pay
136 assessment-related surcharges as a failure to pay premium. An
137 insurer is not liable for any uncollectible assessment-related
138 surcharges.

139 (3) Assessments levied under this section may only be
140 levied upon insurers. This section does not create a cause of
141 action by a policyholder with respect to the levying of an
142 assessment or a policyholder's duty to pay assessment-related
143 surcharges.

144 ~~2. To assure that insurers paying assessments levied under~~
145 ~~this paragraph continue to charge rates that are neither~~
146 ~~inadequate nor excessive, each insurer that is to be assessed~~
147 ~~pursuant to this paragraph, or a licensed rating organization to~~
148 ~~which the insurer subscribes, may make, within 90 days after~~
149 ~~being notified of such assessments, a rate filing for workers'~~
150 ~~compensation coverage pursuant to ss. 627.072 and 627.091. If~~
151 ~~the filing reflects a percentage rate change equal to the~~
152 ~~difference between the rate of such assessment and the rate of~~
153 ~~the previous year's assessment under this paragraph, the filing~~
154 ~~shall consist of a certification so stating and shall be deemed~~
155 ~~approved when made. Any rate change of a different percentage~~
156 ~~shall be subject to the standards and procedures of ss. 627.072~~

157 | ~~and 627.091.~~

158 | (4)~~(2)~~(a) The board may exempt any insurer from an
159 | assessment if, in the opinion of the office ~~department~~, an
160 | assessment would result in such insurer's financial statement
161 | reflecting an amount of capital or surplus less than the minimum
162 | amount required by any jurisdiction in which the insurer is
163 | authorized to transact insurance.

164 | (b) The board may temporarily defer, in whole or in part,
165 | assessments against an insurer if, in the opinion of the office
166 | ~~department~~, payment of the assessment would endanger the ability
167 | of the insurer to fulfill its contractual obligations. In the
168 | case of a self-insurance fund, the trustees of the fund
169 | determined to be endangered must immediately levy an assessment
170 | upon the members of that self-insurance fund in an amount
171 | sufficient to pay the assessments to the corporation.

172 | (c) The board may allow an insurer to pay an assessment on
173 | a quarterly basis.

174 | Section 2. This act shall take effect July 1, 2016.