

ACTION ITEM

Actuarial & Underwriting Committee Meeting, September 21, 2021
Board of Governors Meeting, September 22, 2021

- | | |
|---|---|
| <input type="checkbox"/> Contract – New | <input type="checkbox"/> Committee or Board Minutes |
| <input type="checkbox"/> Contract – Amendment of Contract Terms | <input checked="" type="checkbox"/> Product Changes |
| <input type="checkbox"/> Contract – Additional Spend | <input type="checkbox"/> Other _____ |

Contract ID	Florida Insurance Guaranty Association (FIGA) 2022 Assessment
Budgeted Item	<input type="checkbox"/> Yes <input type="checkbox"/> No
Procurement Method	N/A
Contract Amount	N/A
Contract Term(s)	N/A
Purpose/Scope	<p>The Florida Insurance Guaranty Association (FIGA) Board of Directors certified the need for a 0.70% assessment on its member insurers at its August 26, 2021, meeting. The assessment is necessary to secure funds for the payment of covered claims related to new insolvencies in FIGA's Other Account. Pending approval, the Florida Office of Insurance Regulation (FL OIR) will levy a 0.70% assessment on all covered lines of business except auto pursuant to Section 631.55 (2)(b), Florida Statutes. Citizens and member insurers will be required to collect an equivalent surcharge on new and renewal policies with effective dates beginning January 1, 2022, through December 31, 2022 (Assessment Year). Estimated installments will be billed beginning in July 2022 using prior year direct written premium.</p> <p>The approval and supporting Order from the FL OIR are expected to be issued before September 30, 2021. Citizens must initiate changes immediately to collect the surcharge from policyholders as described above.</p>
Recommendation	<p>Staff proposes that the Actuarial and Underwriting Committee review, and if approved, recommend the Board of Governors:</p> <p>a) Provide approval for staff to take appropriate actions necessary to implement the policyholder surcharge and submit payments as described in this Florida Insurance Guaranty Association (FIGA) Action Item and as required by FIGA and the Florida Office of Insurance Regulation (FL OIR). Changes include filing with the FL OIR, system change implementations, updates to supporting documents or forms and other relevant activities.</p>

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CONTACTS	Kelly Booten, Chief Operating Officer Jennifer Montero, Chief Financial Officer Scott Crozier, Vice President Underwriting and Product Development Karen Holt, Senior Director Product Development
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