

DEPARTMENT OF FINANCIAL SERVICES

DIVISION OF WORKERS' COMPENSATION

NOTICE OF PROPOSED RULE DEVELOPMENT

RULE: 69L-5.201  
RULE TITLE: Definitions.

PURPOSE AND EFFECT: The original intent of the rule was to avoid the complexities of an affiliated self-insurer structure where a parent company exists to hold the self-insurance authorization was addressed by the clause “which do not have a parent company to hold the self-insurance authorization.” A parent company able to, but not wanting to hold the self-insurance authorization, and wanting to execute a parental guaranty under Rule 69L-5.215, F.A.C., would be precluded from doing so under the existing language of Rule 69L-5.201(2), F.A.C. The added language will allow an affiliated self-insurer structure and utilization of the financial strength of a parent company for purposes of providing a parental guaranty for affiliated self-insurers under Rule 69L-5.215, F.A.C., where the parent company could but elects to not hold the self-insurance authorization.

SUBJECT AREA TO BE ADDRESSED: Affiliated Self-Insurers and Parental Guaranty

RULEMAKING AUTHORITY: 440.38(1), (2), (3), 440.385(6), 440.591, F.S.

LAW IMPLEMENTED: 440.38(1), (2), (3), 440.385(1), (3), (6), F.S.

IF REQUESTED IN WRITING AND NOT DEEMED UNNECESSARY BY THE AGENCY HEAD, A RULE DEVELOPMENT WORKSHOP WILL BE HELD AT THE TIME, DATE, AND PLACE SHOWN BELOW:

DATE AND TIME: Wednesday, October 19, 2011 @ 9:30 A.M.

PLACE: Room 102, Hartman Building, 2012 Capital Circle Southeast, Tallahassee, Florida.

THE PERSON TO BE CONTACTED REGARDING THE PROPOSED RULE DEVELOPMENT AND A COPY OF THE PRELIMINARY DRAFT, IF AVAILABLE, IS: Pam Macon, Bureau Chief, Bureau of Monitoring and Audit, Division of Workers' Compensation, Department of Financial Services, 200 East Gaines Street, Tallahassee, Florida 32399-4224, 850-413-1708 or [Pamela.Macon@myfloridacfo.com](mailto:Pamela.Macon@myfloridacfo.com)

Pursuant to the provisions of the Americans with Disabilities Act, any person requiring special accommodations to participate in this program, please advise the Department at least 5 calendar days before the program by contacting the person listed above.

THE PRELIMINARY TEXT OF THE PROPOSED RULE DEVELOPMENT IS:

**69L-5.201 Definitions.**

When used in these rules, the following words or terms shall mean:

(1) No Change.

(2) “Affiliated Self-Insurer” – Two or more entities affiliated by common majority ownership, as discussed in Rule 3, R13, D., of the NCCI Experience Rating Plan Manual for Workers’ Compensation and Employers Liability Insurance, which do not have either a parent company to hold the self-insurance authorization or a parental guarantor in accordance with Rule 69L-5.215, F.A.C., and which are approved by the Department to fund their workers’ compensation liabilities as prescribed in Section 440.38(1)(b), F.S. The NCCI Experience Rating Plan Manual for Workers’ Compensation and Employers Liability, 2003 Edition including updates through October 2008, is hereby incorporated by reference. A copy of the Manual may be obtained from the National Council on Compensation Insurance, Inc., Customer Service Center, 901 Peninsula Corporate Circle, Boca Raton, FL 33487, telephone 1(800)622-4123. A copy of the manual is also available for viewing at the Division of Workers’ Compensation, Bureau of Monitoring and Audit, Self-Insurance Section, 2012 Capital Circle, S.E., Hartman Building, Tallahassee, FL 32399-4224.

(3) through (28) No Change.

*Rulemaking Authority 440.38(1), (2), (3), 440.385(6), 440.591 FS. Law Implemented 440.38(1), (2), (3), 440.385(1), (3), (6) FS.*

*History—New 3-9-10, Amended \_\_\_\_\_.*