



Florida Department of Labor and Employment Security  
**Division of Workers' Compensation**  
Director's Office

**Jeb Bush**  
Governor

**Mary B. Hooks**  
Secretary

August 25, 2000

**Charles Williams**  
Director

To: All Carriers, Assessable Mutuals and Self-Insurance Funds  
From: Charles D. Williams, Director  
Subject: Senate Bill 2532, Chapter 2000-150, Laws of Florida

This bulletin is designed to explain the Division's interpretation of the above referenced law that was passed by the Florida Legislature and recently signed into law by Governor Jeb Bush.

In this bill, the Florida Legislature clarified its intent regarding premiums ceded to reinsurers and whether assessments must be paid on those ceded premiums. The Legislature has expressly stated in section 1 of the bill that its intent is now and always has been that assessments to the Workers' Compensation Administration Trust Fund and the Special Disability Trust Fund must be paid on all premiums, including those ceded to reinsurers, minus any statutorily approved discounts.

If a company or fund is or has been deducting premiums ceded to reinsurers, it is the Division's recommendation based upon the mandates of SB 2532 that these deductions cease immediately. Those carriers and funds who have been deducting ceded premiums when determining their assessment payments will receive additional correspondence from the division regarding the underpayment of assessments *after* January 1, 2000.

Questions concerning this issue should be directed to the Division of Workers' Compensation, Director's Office at the address listed below.

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