

FLORIDA SURPLUS LINES
● SERVICE OFFICE ●

BULLETIN: 2010-04

TO: FLORIDA SURPLUS LINES AGENTS & IPC FILERS

**FROM: CAROLYN M. DANIELS, ASSISTANT DIRECTOR,
FLORIDA SURPLUS LINES SERVICE OFFICE**

DATE: DECEMBER 15, 2010

**SUBJECT: SAFETY-NET ALTERNATIVE RISK POOL, INC. LLC – HOSPITAL
ALLIANCES APPLICABILITY OF SECTION 252.372, F.S. & THE
EMERGENCY MANAGEMENT PREPAREDNESS & ASSISTANCE
SURCHARCE**

The purpose of this bulletin is to inform you that on October 21, 2010, the Department of Financial Services issued a letter clarifying that the intent of a Declaratory Statement issued on June 21, 2010 regarding *Safety-Net Alternative Risk Pool, Inc., LLC and Aon Risk Services, Inc. of Florida* (Case Number 10932-10-AG), did not address and was not intended to address the statutory reporting and surcharge requirements of Section 252.372, Florida Statute.

As a result of the Department's letter of clarification, this notice is to inform you that all Commercial Property policies placed with surplus lines insurers on behalf of hospital alliances established in accordance with 395.106 are subject to the \$4 Emergency Management Preparedness & Assistance Surcharge (EMPA). These policies must be filed with the Florida Surplus Lines Service Office (FSLSO).

The Statute places the responsibility on the FSLSO to collect the surcharge on commercial property policies placed with surplus lines insurers; therefore, the policy information for all property policies must be filed with the FSLSO.

The FSLSO has created a tax status that will appropriately assess the \$4.00 EMPA surcharge on property policies for entities that are exempt from all other taxes, fees and assessments. The new tax status is four (4). This tax status is to be used only with **Coverage 1000** (Commercial Property) policies. All other policies, such as General Liability and Medical Malpractice are subject to the five percent (5%) tax, FSLSO service fee and applicable assessments.

For more information regarding Florida Statute 252.372 referencing the EMPA surcharge, please visit www.fslso.com/faq. Additionally, you may direct any questions or concerns to Agent & Insurer Services, (800) 562-4496.