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CONTACT:
Susan Nolan
NCOIL National Office
518-687-0178

Mike Humphreys
NCOIL Washington, DC Office
202-220-3014

STATES MOVE FORWARD ON SLIMPACT: NEW MEXICO JOINS KENTUCKY

Washington, DC, April 11, 2011—NCOIL President-Elect Sen. Carroll Leavell led New Mexico to enact a *Surplus Lines Insurance Multi-State Compliance Compact* (SLIMPACT) on Friday, joining Kentucky in the legislator-led initiative to protect state premium tax dollars. Governor Susana Martinez signed Senate Bill 250 on April 8, amidst a flurry of activity across the nation to advance SLIMPACT, which included significant victories in North Dakota, Indiana, Tennessee, and Alabama.

Sen. Leavell said, "We are proud to join the Commonwealth of Kentucky in SLIMPACT and we look forward to widespread participation. State legislatures have an important opportunity to form a mechanism to fairly distribute premium tax revenue so that no state is left behind. Every lawmaker should have an interest in preserving his/her state's revenue stream."

The NCOIL President-Elect continued, "Our insurance department's endorsement was key in advancing SLIMPACT unanimously through the legislature. We welcome support from agencies across the country to expedite the ongoing national effort."

North Dakota last week cleared one of the remaining hurdles to joining Kentucky and New Mexico in SLIMPACT. On April 1, the state Senate approved NCOIL President Rep. George Keiser's SLIMPACT in a unanimous 47-0 vote. The House had previously approved the bill 92-1 in a mid-February vote. Rep. Keiser said:

We hope to get the legislation across the Governor's desk in short order so we can continue to grow the compact. The Dodd-Frank Act gave states a minimal amount of time to streamline surplus lines taxation, or risk losing premium tax monies, and we believe SLIMPACT meets Congress' intent. While NCOIL, and our legislative colleagues at The Council of State Governments and the National Conference of State Legislatures, have urged a one-year extension of the Act's surplus lines provisions, we cannot depend on Congress to provide one. The states must continue to act.

SLIMPACT also took broad steps forward last week in three states—Indiana, Tennessee, and Alabama. Legislation sponsored by NCOIL Vice President Sen. Vi Simpson and International Committee Chair Sen. Travis Holdman in Indiana passed the House 98-0 on Friday, as amended, and was returned to the Senate where it was approved 41-8 in February.

Rep. Charles Curtiss carried SLIMPACT through a unanimous voice vote of the Tennessee House Commerce Committee on April 5. The bill next heads to the House Finance Committee. In Alabama, NCOIL Treasurer Rep. Greg Wren has his legislation headed for the House floor after being approved by the House Insurance Committee on April 6.

Insurance Committees of the Rhode Island Senate and the Texas House of Representatives also held hearings to consider SLIMPACT bills in early April. Legislation is currently pending in Kansas and Vermont as well.

NCOIL is an organization of state legislators whose main area of public policy interest is insurance legislation and regulation. Most legislators active in NCOIL either chair or are members of the committees responsible for insurance legislation in their respective state houses across the country. More information is available at www.ncoil.org.

For further details, please contact the NCOIL Washington, DC Office at 202-220-3014, or by email at mhumphreys@ncoil.org.

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