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NCOIL PRESSES NAIC GROUP ON SLIMPACT DRAFT

Washington, DC, September 8, 2010—NCOIL President Rep. Robert Damron (KY) last week urged an NAIC Surplus Lines Implementation Task Force to consider using a proposed *Surplus Lines Insurance Multi-State Compliance Compact (SLIMPACT)*, in whole or in part, to implement the *Dodd-Frank Wall Street Reform and Consumer Protection Act's* surplus lines provisions. In a September 2 letter to Task Force Chair Commissioner James Donelon (LA), Rep. Damron reiterated NCOIL support for SLIMPACT, indicated a willingness to modify SLIMPACT to address any NAIC misgivings, and highlighted an upcoming State Leader Summit on financial reform.

As the NAIC Task Force opened a comment window in advance of its Monday, September 13, conference call, Rep. Damron wrote:

Rather than discussing individual issues cited in draft *Guiding Principles for Surplus Lines Reform Implementation*, the Task Force should debate the already developed SLIMPACT, which encompasses major issues reflected in your discussion draft, including the collection and allocation of surplus lines taxes.

In relating the history of SLIMPACT, Rep. Damron wrote:

SLIMPACT has been extensively debated for the past several years by insurance regulators, legislators, and industry representatives. The proposal was developed over the course of several years during open meetings held at NAIC national meetings. NCOIL has supported the SLIMPACT concept since 2007 and continues to believe that it is the most appropriate solution to streamline surplus lines taxation issues.

Noting that NCOIL legislators had recently asked the NAIC to “indicate which provisions in the SLIMPACT proposal that they cannot support,” Rep. Damron said that NCOIL is “willing to work with the NAIC and others to modify SLIMPACT, if necessary, so that we can expedite guidance to the states.”

Rep. Damron cited an upcoming *State Leader Summit: Working Session on Financial Modernization* as a venue to discuss surplus lines reform, among other pressing financial topics. He said that NCOIL had “invited state leaders to participate in the session that we hope will lead to consensus support for certain reform initiatives.”

The *State Leader Summit* will take place on Friday, November 19, from 8:00 to 11:30 a.m. It is being held in conjunction with the November 18 through 21 NCOIL Annual Meeting in Austin, Texas.

Presidents and/or Chairs of the Council of State Governments (CSG), National Association of Attorneys General (NAAG), NAIC, North American Securities Administrators Association (NASAA), National Conference of State Legislatures (NCSL), and National Governors Association (NGA) have been invited to participate in the Summit.

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.

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