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NCOIL APPLAUDS CSG SURPLUS LINES COMPACT ENDORSEMENT

Washington, DC, December 7, 2010 — National Conference of Insurance Legislators (NCOIL) President Rep. George Keiser (ND) today commended The Council of State Governments (CSG) for endorsing a *Surplus Lines Insurance Multi-State Compliance Compact* (now known as “SLIMPACT-Lite”), and said that NCOIL welcomed the opportunity to work with CSG to secure state passage of the bill in 2011. The CSG Executive Committee unanimously adopted a *Resolution in Support of a Comprehensive Surplus Lines Insurance Compact* during its National Conference in Providence, Rhode Island, on December 6.

Rep. Keiser said:

CSG acted decisively to support SLIMPACT-Lite as the only appropriate mechanism to respond to Dodd-Frank, and we value the timely endorsement. NCOIL legislators look forward to coordinating with CSG—which represents state executive, judicial, and legislative branch officials—in our race to get something done before next July.

The NCOIL President continued, “With vast numbers of new faces entering state government in 2011—many for the first time—consensus guidance from leading national organizations will go a long way to assure passage of the effective surplus lines tax compact.”

As well as enjoying CSG and NCOIL endorsement, SLIMPACT-Lite is supported by the surplus/excess lines industries and key property-casualty and insurance producer associations. To round out its backing by major organizations comprising state legislators, the National Conference of State Legislatures (NCSL) will consider a resolution of support at its Fall Forum this week.

The NCOIL Executive Committee on November 21 adopted SLIMPACT-Lite—a revised version of a 2007 compact, slimmed-down to respond to concerns expressed by regulators and other state officials. The compact has been developed over several years with input by insurance regulators, legislators, and industry representatives.

SLIMPACT-Lite—unlike other existing proposals—would respond to Dodd-Frank provisions by authorizing a governing commission to establish allocation formulas, uniform payment methods and reporting requirements, eligibility standards, and a single policyholder notice to replace the various forms used across the country. To streamline taxation and ensure that each state receives its fair share, SLIMPACT-Lite would require a state to create a single tax rate for surplus lines insurance, allow states to charge their own rates, and set uniform payment dates, among other things.

For further details, please contact the NCOIL National Office at 518-687-0178.

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