

NATIONAL CONFERENCE OF INSURANCE LEGISLATORS (NCOIL)

**Resolution in Support of Amending the Insurance Law to Conform to the
Nonadmitted and Reinsurance Reform Act (NRRA)**

*Adopted by the NCOIL Executive Committee on November 21, 2010, and State-Federal Relations
Committee on November 19, 2010.*

WHEREAS, the *Dodd-Frank Wall Street Reform and Consumer Protection Act* was signed into law by President Obama on July 21, 2010; and

WHEREAS, the *Nonadmitted and Reinsurance Reform Act of 2009* (NRRA) was incorporated into and signed into law as part of the Dodd-Frank Act; and

WHEREAS, the NRRA, by its various provisions, will preempt or supercede portions of the excess and surplus lines law as they exist today in each of the United States when most of the NRRA's provisions becomes effective on July 21, 2011; and

WHEREAS, the excess and surplus lines insurance statutes in all states must be amended to conform to the mandatory provisions and definitions contained in the NRRA, in order to expressly set forth the current law clearly and unambiguously; and

WHEREAS, licensed excess and surplus lines brokers need to change their operating procedures, technology systems and compliance protocols in order to operate properly under the laws as amended due to enactment of the NRRA; and

WHEREAS, licensed excess and surplus lines brokers need as much lead time as is reasonably possible to make changes to their operating procedures, technology systems and compliance protocols in advance of July 21, 2011; and

NOW, THEREFORE BE IT RESOLVED that the National Conference of Insurance Legislators (NCOIL) urges each state insurance department to meet with and work with industry representatives so as to account for all views and issues in the process of drafting legislation necessary to implement and conform state insurance laws to the mandatory provisions of the NRRA; and

BE IT FURTHER RESOLVED, that time be considered of the essence by all state insurance departments and legislatures to draft, introduce and seek passage of such legislation in order to assure a timely implementation and smooth transition for all persons and licensees who will be materially impacted by the required statutory changes, and

BE IT FINALLY RESOLVED that a copy of this resolution be delivered to the governor, attorney general and insurance commissioner of every state and to the ALEC, CSG, NAIC, NCSL, and NGA.