

# **New Senate Surplus Line Bill Has Insurers' Backing**

BY ARTHUR D. POSTAL--NU Online News Service, March 27, 3:25 p.m.

*WASHINGTON* —Officials of the National Association of Surplus Lines Offices are voicing strong support for legislation introduced in the Senate that would reform the regulation of multistate surplus lines transactions.

Sen. Mel Martinez, R-Fla., and Sen. Bill Nelson, D-Fla., introduced a version of the Nonadmitted and Reinsurance Act of 2007 as S. 929.

The surplus lines bill was part of a package of six pieces of legislation they introduced in what they said was an effort to comprehensively address hurricane and other natural disaster issues in the near and long term for Florida and the nation.

“We are pleased to see that the Senate will also be discussing this needed piece of insurance reform legislation,” said NAPSLO President William Newton. “This bill would help the citizens of Florida, and other states, by making property/liability insurance more readily available to consumers and improving efficiency of the surplus lines insurance market,” Mr. Newton said.

The surplus lines measure is designed to streamline regulation and reduce barriers in state regulation of surplus lines insurance and reinsurance. It would create a uniform system while preserving the role of the state regulator, according to its supporters.

Another surplus lines bill (H.R. 1065) was previously introduced in the House in February by Rep. Dennis Moore, D-Kan., and Rep. Ginny Brown-Waite, R-Fla.

The bill is similar to the surplus lines measure, H.R. 5637, which passed the House overwhelmingly last year, but which was not introduced in the Senate.

NAPSLO officials said they are hoping to see action take place soon on the surplus line reforms and believe there will be wide support for the legislation.

The noted that NAPSLO and the Association of Managing General Agents, the Council of Insurance Agents and Brokers, the Property Casualty Insurers Association, the Independent Insurance Agents and Brokers of America, the Risk and Insurance Management Society, and the Reinsurance Association of America “had worked together in advocating enactment of this type of legislation.”