

CCS SS HB 1361 -- DOMESTIC SURPLUS LINES INSURERS

This bill specifies that a nonadmitted insurer that is domiciled in this state must be deemed a domestic surplus lines insurer if the insurer possesses a policyholder surplus of at least \$20 million, is an approved or eligible surplus lines insurer in at least one jurisdiction other than this state, the board of directors of the insurer has passed a resolution seeking to be a domestic surplus lines insurer in Missouri, and the Director of the Department of Insurance, Financial Institutions and Professional Registration has given written approval for the insurer to be a domestic surplus lines insurer.

A domestic surplus lines insurer is deemed an eligible surplus lines insurer authorized to write any type of policy that a nonadmitted insurer not domiciled in Missouri is eligible to write. The policies issued in this state must be subject to taxes assessed on surplus lines policies issued by nonadmitted insurers, including the surplus premium lines tax under Section 384.059, RSMo, but will not be subject to other taxes levied on admitted insurers whether domestic or foreign, including taxes imposed under Section 148.320. A policy issued by a domestic surplus lines insurer is not subject to the protections or other provisions of the Missouri Property and Casualty Insurance Guarantee Association Act or the Missouri Life and Health Insurance Guaranty Association Act. All financial and solvency requirements imposed under specified provisions on domestic admitted insurers must apply to domestic surplus lines insurers unless specifically exempted. A domestic surplus lines insurer must be exempt from all statutory requirements regarding rating plans, policy forms, policy cancellation and non-renewal, and premiums charged to the insured in the same manner and to the same extent as a nonadmitted insurer domiciled in another state.