

OFFICE OF LEGISLATIVE RESEARCH  
PUBLIC ACT SUMMARY



**PA 13-171—sHB 6379**

*Insurance and Real Estate Committee*

**AN ACT CONCERNING SURPLUS LINES INSURANCE BROKERS**

**SUMMARY:** This act makes changes in the statutes pertaining to surplus lines insurance brokers (i.e., brokers who sell insurance lines that are unavailable from licensed insurers). By law, the insurance commissioner must maintain, publish, and make available to surplus lines brokers a list of such insurance lines. The act requires licensed surplus lines brokers and their clients that procure or renew insurance that is not on the commissioner's list to file with the commissioner a signed statement showing they made diligent efforts to obtain the insurance from a licensed insurer. Prior law required an affidavit when procuring such insurance.

The act requires the broker to submit the signed statement to the commissioner electronically on the fifteenth day of February, May, August, and November annually. Under prior law, the affidavit was due to the commissioner within 45 days after a surplus lines broker procured insurance.

Previously, the affidavit had to show that the amount of insurance obtained from an unauthorized insurer was only the excess over the amount obtained from authorized insurers. The act requires the signed statement to show that information as well as the type of policy and, if the policy is for real property, the location of the real property.

By law, a broker who fails to file a signed statement or willfully files a false statement is subject to license revocation and a fine of up to \$4,000, imprisonment for up to six months, or both.

**EFFECTIVE DATE:** Upon passage

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