



General Assembly

January Session, 2023

Raised Bill No. 6621

LCO No. 4007



Referred to Committee on INSURANCE AND REAL ESTATE

Introduced by:
(INS)

***AN ACT CONCERNING THE RENEWAL OF SURPLUS LINES
INSURANCE POLICIES.***

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Subsection (b) of section 38a-741 of the general statutes is
2 repealed and the following is substituted in lieu thereof (*Effective October*
3 *1, 2023*):

4 (b) (1) When any policy of insurance is procured [or renewed] under
5 the authority of such license providing a line of insurance or its
6 component that does not, on the effective date of coverage, appear on
7 the current published list, both the licensee and the insured shall write
8 signed statements setting forth facts showing that such licensee and
9 such insured were unable after diligent effort to procure, from any
10 authorized insurer or insurers, the full amount of insurance required to
11 protect the interest of such insured, and further showing (A) that the
12 amount of insurance procured from an unauthorized insurer or insurers
13 is only the excess over the amount so procurable from authorized
14 insurers, (B) the type of policy, and (C) if such policy is for real property,
15 the location of such property. Such licensee shall file such signed

16 statements in electronic format with the commissioner on February
17 fifteenth, May fifteenth, August fifteenth and November fifteenth of
18 each year.

19 (2) When any policy of insurance is renewed, the licensee shall not be
20 required to write and file the signed statement set forth in subdivision
21 (1) of subsection (b) of this section if the policy is renewed with an
22 unauthorized insurer.

23 ~~[(2)]~~ (3) The provisions of subdivision (1) of this subsection shall not
24 apply to (A) any such policy providing or including flood insurance,
25 including flood insurance procured from the National Flood Insurance
26 Program, or (B) any policy of insurance procured under the authority of
27 such license for an insured that is an exempt commercial purchaser, as
28 defined in Section 527 of the Dodd-Frank Wall Street Reform and
29 Consumer Protection Act, P.L. 111-203, as amended from time to time,
30 provided (i) the surplus lines broker has disclosed to such exempt
31 commercial purchaser that such insurance may or may not be available
32 from an authorized insurer, that may provide greater protection with
33 more regulatory oversight, and (ii) such exempt commercial purchaser
34 has subsequently requested such broker, in writing, to procure such
35 policy from an unauthorized insurer.

This act shall take effect as follows and shall amend the following sections:		
Section 1	October 1, 2023	38a-741(b)

Statement of Purpose:

To exclude the signed statement requirement for a licensee who renews a policy with an unauthorized insurer.

[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]