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KANSAS JOINS SLIMPACT: MOMENTUM BUILDS FOR SURPLUS LINES COMPACT

Washington, DC, May 16, 2011—Momentum continues to build for the *Surplus Lines Insurance Multistate Compliance Compact (SLIMPACT)*, as last week legislation advocated by NCOIL leader Sen. Ruth Teichman made Kansas the latest state to enact the growing surplus lines modernization initiative. Governor Sam Brownback signed H.B. 2076 on Thursday, May 12, as state lawmakers continued to press on in their effort to respond fully and appropriately to Dodd-Frank surplus lines provisions.

Sen. Teichman said:

Kansas is proud to join Kentucky, North Dakota, New Mexico, and Indiana in SLIMPACT, as the compact will ensure that states get their fair share and keep lawmakers involved in the process. We are happy to be part of a system endorsed by key legislative groups that will enable fair allocation of surplus line premium taxes and promote uniformity in notices and foreign eligibility standards in response to Dodd-Frank.

Senator Teichman also noted:

The states have made unprecedented progress on this new interstate insurance compact in just a few short months. We look forward to more states joining and are optimistic that we will reach critical mass in the very near future. My colleagues Senator Jeff Longbine and Representative Clark Shultz, chair of the House Insurance Committee, were instrumental in getting SLIMPACT passed in Kansas, and our collective efforts should benefit Kansas, and all other states that choose to enlist in this necessary state-based reform.

Sen. Teichman continued, "We are confident in SLIMPACT, as it is more fully fleshed-out and vetted than other existing proposals. It was built using the framework of the successful 38-member Interstate Insurance Product Regulation Compact (IIPRC), and developed over the course of several years with input from all interested stakeholders—including legislators and regulators. SLIMPACT also enjoys broad legislative and industry support that will be crucial to its nationwide success."

As SLIMPACT continues to meet success in the states, Kansas marks the fifth of ten states needed kick off the Compact Commission. SLIMPACT legislation is awaiting the Governor's signature in Vermont, and is nearing the goal line in Tennessee and Rhode Island. Compact legislation is also

advancing in Alabama and New York, as well as is being considered by legislators in numerous other states.

NCOIL adopted SLIMPACT at its 2010 Annual Meeting in November. The Council of State Governments (CSG) and the National Conference of State Legislatures (NCSL) endorsed it in December. SLIMPACT has been widely praised by legislators and industry experts as the only solution that fully responds to *Nonadmitted and Reinsurance Reform Act* (NRRA) provisions included in the *Dodd-Frank Wall Street Reform and Consumer Protection Act* (Public Law 111-203).

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