ODI
Ohio Department of Insurance

John R. Kasich, Governor
Mary Taylor, Lt. Governor/Director

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To: Commercial insureds with risks insured in the surplus lines insurance market in Ohio
Brokers and agents who place risks in the surplus lines insurance market in Ohio
Insurers who write risks in the surplus lines insurance market in Ohio

From: Ohio Department of Insurance

Re: Surplus lines insurance reform

Date: October 27, 2011

The Ohio General Assembly amended § 3905.33 of the Revised Code to require the superintendent of insurance to conduct a fiscal analysis of the impact of entering into a multi-state agreement or compact for determining eligibility for placement of unauthorized insurance and for payment, reporting, collection, and allocation of the tax on risks located in multiple states. If the fiscal analysis indicates that entering into a multi-state agreement or compact is advantageous to Ohio, the superintendent may enter into the surplus lines insurance multi-state compliance compact adopted by the national conference of insurance legislators, as amended December 21, 2010, known as SLIMPACT. *See* § 3905.33(D).

Currently, Ohio is collecting surplus lines tax on 100% of risks located in multiple states when Ohio is the home state of the insured. The Department is requesting specific, quantifiable information that demonstrates benefits or costs to Ohio (including any impact to insureds, brokers, agents or carriers) that will result from Ohio joining a multi-state agreement or compact for payment, reporting, collection, and allocation of the tax on risks located in multiple states.

Please submit the requested information by November 14, 2011 via email to: property.casualty@insurance.ohio.gov.

If you have any questions please contact Michael Farley, Assistant Director for Legislative Affairs Michael.farley@insurance.ohio.gov.