

BILL SUMMARY
1st Session of the 55th Legislature

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| Bill No.: | SB487 |
| Version: | ENGR |
| Request Number: | |
| Author: | Rep. Faught |
| Date: | 3/25/2015 |
| Impact: | Insurance Commission: \$0 |

Research Analysis

SB 487 provides that the insurer, rather than the insured, may request that a surplus lines insurance contract not be voided, if the contract is found to be in violation of the insurance code. The measure further exempts flood insurance from surplus line premium tax. Finally, the bill exempts surplus lines licensees or brokers from the requirement to make due diligence searches when attempting to procure flood insurance with a nonadmitted insurer.

Prepared By: Sean Webster

Fiscal Analysis

Upon review of SB 487 along with consultation from the Insurance Dept., it is determined to have no fiscal or revenue considerations to the state.

There are no flood insurance policies currently in force in the surplus lines market. Therefore, the amount of revenue currently generated by surplus lines taxes on flood policies is \$0.

Prepared By: Kristina King

Other Considerations

None.