

HR 2571

Nonadmitted and Reinsurance Reform Act of 2009

Congress: 111 (2009–2011, Ended)

Chamber: House

Policy Area: Finance and Financial Sector

Introduced: May 21, 2009

Current Status: Received in the Senate and Read twice and referred to the Committee on Banking, Housing, and Urban Affairs.

Latest Action: Received in the Senate and Read twice and referred to the Committee on Banking, Housing, and Urban Affairs. (Sep 10, 2009)

Official Text: <https://www.congress.gov/bill/111th-congress/house-bill/2571>

Sponsor

Name: Rep. Moore, Dennis [D-KS-3]

Party: Democratic • **State:** KS • **Chamber:** House

Cosponsors (22 total)

Cosponsor	Party / State	Role	Date Joined
Rep. Bachmann, Michele [R-MN-6]	R · MN		May 21, 2009
Rep. Bachus, Spencer [R-AL-6]	R · AL		May 21, 2009
Rep. Bean, Melissa L. [D-IL-8]	D · IL		May 21, 2009
Rep. Brown-Waite, Ginny [R-FL-5]	R · FL		May 21, 2009
Rep. Campbell, John [R-CA-48]	R · CA		May 21, 2009
Rep. Capito, Shelley Moore [R-WV-2]	R · WV		May 21, 2009
Rep. Crowley, Joseph [D-NY-7]	D · NY		May 21, 2009
Rep. Frank, Barney [D-MA-4]	D · MA		May 21, 2009
Rep. Garrett, Scott [R-NJ-5]	R · NJ		May 21, 2009
Rep. Hinojosa, Ruben [D-TX-15]	D · TX		May 21, 2009
Rep. Israel, Steve [D-NY-2]	D · NY		May 21, 2009
Rep. Kanjorski, Paul E. [D-PA-11]	D · PA		May 21, 2009
Rep. King, Peter T. [R-NY-3]	R · NY		May 21, 2009
Rep. Maloney, Carolyn B. [D-NY-14]	D · NY		May 21, 2009
Rep. McHenry, Patrick T. [R-NC-10]	R · NC		May 21, 2009
Rep. McMahon, Michael E. [D-NY-13]	D · NY		May 21, 2009
Rep. Miller, Gary G. [R-CA-42]	R · CA		May 21, 2009
Rep. Neugebauer, Randy [R-TX-19]	R · TX		May 21, 2009
Rep. Putnam, Adam H. [R-FL-12]	R · FL		May 21, 2009
Rep. Sherman, Brad [D-CA-27]	D · CA		May 21, 2009
Rep. Young, C. W. Bill [R-FL-10]	R · FL		May 21, 2009
Rep. Murphy, Christopher [D-CT-5]	D · CT		Jun 2, 2009

Committee Activity

Committee	Chamber	Activity	Date
Banking, Housing, and Urban Affairs Committee	Senate	Referred To	Sep 10, 2009
Financial Services Committee	House	Referred To	May 21, 2009
Judiciary Committee	House	Referred to	Aug 19, 2009

Subjects & Policy Tags

Policy Area:

Finance and Financial Sector

Related Bills

No related bills are listed.

(This measure has not been amended since it was introduced. The summary has been expanded because action occurred on the measure.)

Nonadmitted and Reinsurance Reform Act of 2009 - **Title I: Nonadmitted Insurance** - (Sec. 101) Prohibits any state other than the home state of an insured from requiring a premium tax payment for nonadmitted insurance.

Authorizes states to establish procedures to allocate among themselves the premium taxes paid to an insured's home state.

Declares that Congress intends that each state adopt nationwide uniform requirements, forms, and procedures, such as an interstate compact, that provide for the reporting, payment, collection, and allocation of premium taxes for nonadmitted insurance consistent with this Act.

Allows an insured's home state to require surplus lines brokers and certain insureds to file annual tax allocation reports detailing the portion of the nonadmitted insurance premiums attributable to properties, risks, or exposures located in each state.

(Sec. 102) Subjects nonadmitted insurance solely to the regulatory requirements of the insured's home state.

Declares that only an insured's home state may require a surplus lines broker to be licensed to conduct nonadmitted insurance business with respect to such insured.

Declares that state law, rule, or regulation that restricts the placement of workers' compensation insurance or excess insurance for self-funded workers' compensation plans with a nonadmitted insurer is not preempted.

(Sec. 103) Prohibits a state from collecting fees relating to licensure of a surplus lines broker in the state unless it has a regulatory mechanism in effect for participation in the national insurance producer database of the National Association of Insurance Commissioners (NAIC), or any other equivalent uniform national database.

(Sec. 104) Prohibits a state from establishing eligibility criteria for nonadmitted insurers domiciled in a U.S. jurisdiction except in conformance with the Non-Admitted Insurance Model Act, unless the state has adopted nationwide uniform requirements, forms, and procedures developed in accordance with this Act that include alternative nationwide uniform eligibility requirements.

Prohibits a state from prohibiting a surplus lines broker from placing nonadmitted insurance with, or procuring nonadmitted insurance from, a nonadmitted insurer domiciled outside the United States and listed on the NAIC International Insurers Department Quarterly Listing of Alien Insurers.

(Sec. 105) Cites conditions with which a surplus lines broker seeking to procure or place nonadmitted insurance in a state for an exempt commercial purchaser must comply in order to win exemption from any state requirement to make a due diligence search to determine whether the full amount or type of insurance sought by such exempt commercial purchaser can be obtained from admitted insurers.

(Sec. 106) Requires Comptroller General to study and report to Congress on the nonadmitted insurance market in order to determine the effect of this title upon the size and market share of the nonadmitted insurance market for providing coverage typically provided by the admitted insurance market.

Title II: Reinsurance - (Sec. 201) Prohibits a state from denying credit for reinsurance if the state of domicile of an insurer purchasing reinsurance (ceding insurer) recognizes credit for reinsurance for the insurer's ceded risk, and: (1) is either an NAIC-accredited state; or (2) has financial solvency requirements substantially similar to NAIC accreditation requirements.

Preempts the extraterritorial application of the laws, regulations, or other actions of a non-domiciliary state of a ceding insurer (except those related to taxes and assessments on insurance companies or insurance income) to the extent that they: (1) restrict or eliminate the rights of the ceding insurer or the assuming insurer to resolve disputes through contractual arbitration not inconsistent with federal law; (2) require that a certain state's law shall govern the reinsurance contract, its requirements, or any disputes arising from it; (3) attempt to enforce a reinsurance contract on terms different from those set forth in it, if those terms are not inconsistent with this subtitle; or (4) otherwise apply the laws of the state to reinsurance agreements of ceding insurers not domiciled in that state.

(Sec. 202) Reserves to a reinsurer's state of domicile the sole responsibility for regulating the reinsurer's financial solvency if such state is either NAIC-accredited, or has financial solvency requirements substantially similar to NAIC.

Prohibits a state from requiring a reinsurer to provide financial information other than that required to be filed with its NAIC-compliant domiciliary state.

Title III: Rule of Construction - (Sec. 301) Prohibits any construction of this Act to modify, impair, or supersede the application of the antitrust laws. States that any implied or actual conflict between this Act and any amendments to this Act and the antitrust laws shall be resolved in favor of the operation of the antitrust laws.

Actions Timeline

- **Sep 10, 2009:** Received in the Senate and Read twice and referred to the Committee on Banking, Housing, and Urban Affairs.
- **Sep 9, 2009:** Mr. Moore (KS) moved to suspend the rules and pass the bill.
- **Sep 9, 2009:** Considered under suspension of the rules. (consideration: CR H9360-9363)
- **Sep 9, 2009:** DEBATE - The House proceeded with forty minutes of debate on H.R. 2571.
- **Sep 9, 2009:** Passed/agreed to in House: On motion to suspend the rules and pass the bill Agreed to by voice vote.(text: CR H9360-9362)
- **Sep 9, 2009:** On motion to suspend the rules and pass the bill Agreed to by voice vote. (text: CR H9360-9362)
- **Sep 9, 2009:** Motion to reconsider laid on the table Agreed to without objection.
- **Aug 19, 2009:** Referred to the Subcommittee on Commercial and Administrative Law.
- **May 21, 2009:** Introduced in House
- **May 21, 2009:** Referred to House Financial Services
- **May 21, 2009:** Referred to the Committee on Financial Services, and in addition to the Committee on the Judiciary, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.
- **May 21, 2009:** Referred to House Judiciary