

HOUSE RESEARCH

Bill Summary

FILE NUMBER: H.F. 320

DATE: February 5, 2001

Version: As Introduced

Authors: Davids and Others

Subject: Surplus Lines Insurance

Analyst: Thomas R. Pender, 651-296-1885

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Overview

This bill deals with the sale of surplus lines insurance. Surplus lines insurance is insurance obtained in Minnesota with an insurance company not licensed by the state of Minnesota to issue insurance in the state. These nonlicensed companies are permitted to issue insurance here, and agents are permitted to sell it, if the insurance is of a type not available from insurance companies licensed in Minnesota.

Section

- 1 **License required.** Specifies a definition of "person." Actually, the referenced definition is a definition of "insurance agent or insurance agency," but contains within it a definition of "person" as follows: "'Person' includes a natural person, a partnership, a corporation, or other entity, including an insurance agency."

Provides that a licensed resident insurance agent need not have a surplus lines license in order to place or assist in procurement of surplus lines insurance with an agent who does have a surplus lines license.