

## The NAIC Nonadmitted Insurance Model Act

The NAIC Nonadmitted Insurance Model Act (#870) was designed to facilitate state regulation of nonadmitted (surplus lines) insurance

In 2023, the NAIC adopted revisions to the Nonadmitted Insurance Model Act to bring it into compliance with the federal Nonadmitted and Reinsurance Reform Act (NARRA) of 2010

The revised model, like the NARRA, establishes that only an insured's "home state" is permitted to collect premium taxes for nonadmitted insurance.

### Background

The surplus lines market is a specialized segment of the insurance industry consisting of nonadmitted insurance companies that assume unique risks that admitted insurers often will not cover. The surplus lines market includes U.S.-domiciled insurers, Lloyd's syndicates, and non-U.S. insurers that have been admitted to the NAIC Quarterly Listing of Alien Insurers

In 1994, the NAIC adopted the Nonadmitted Insurance Model Act (NAIC Model Act #870) to provide a uniform regulatory framework for nonadmitted insurance.

Actuarial and other information is available at [www.naic.org](http://www.naic.org).