



Nonadmitted Insurance Multi-State Association, Inc.

NIMA, Inc. Welcomes New Associate Members - Tennessee and Wisconsin

FOR IMMEDIATE RELEASE

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TALLAHASSEE, FL – NIMA Member States proudly welcome Tennessee and Wisconsin as the first states to take advantage of the Associate membership created in 2013. Both states have signed up for a 12-month trial Associate membership to experience the unique services of NIMA, Inc., which provides for the reporting of multi-state surplus lines insurance policy information.

This unique opportunity allows Tennessee and Wisconsin to identify and account for taxable surplus lines insurance premium due to their states and based on the statistical information shared by the NIMA Clearinghouse, which is the only functioning uniform Nonadmitted and Reinsurance Reform Act (NIRA) clearinghouse in the nation.

Since the implementation of the Clearinghouse on July 1, 2012 and as of May 7, 2014, NIMA, Inc. members have allocated more than \$1.077 billion in premiums and generated more than \$50 million in taxes.

“We are excited to join NIMA as an Associate member,” Tennessee Department of Commerce and Insurance Commissioner Julie Mix McPeak said. “We appreciate the opportunity to test-run the NIMA system to evaluate potential efficiencies in the reporting and collection of multi-state surplus lines policy information.”

(more)

"We appreciate the opportunity to join NIMA as an associate member, and take advantage of all the services NIMA provides," said Ted Nickel, Wisconsin Insurance Commissioner. "Data on surplus lines is notoriously difficult to come by, and NIMA's first rate services will ensure that Wisconsin has the data it needs."

"We are pleased that Tennessee and Wisconsin have become Associate Members in NIMA, Inc.," stated Merle Scheiber, Chairman of NIMA, Inc. and South Dakota's Director of Insurance. "We are convinced other states will follow and become part of this opportunity to increase regulatory accuracy in surplus lines tax allocation."

The [Associate membership](#) allows states interested in learning more about the financial advantages of joining NIMA, Inc. the opportunity to experience all of the services offered by the Clearinghouse for a 12-month trial period. No costs are incurred by states, brokers, or consumers during this trial period. The Associate membership will offer states the opportunity to evaluate the merits of joining NIMA, Inc. as an official tax-sharing member once the trial period expires.

NIMA, Inc. members include Florida, Louisiana, South Dakota, Utah, Wyoming and Puerto Rico. NIMA's governing agreement is authorized by the federal Dodd-Frank Wall Street Reform legislation that was passed in 2010 and allows state authorities to work cooperatively to consolidate reporting and collect and allocate premium taxes for multi-state surplus lines insurance transactions. Surplus Lines insurance companies cover risks that are not insurable in the admitted or licensed insurance market.

For more information about NIMA, Inc. or the Associate Membership, visit the [website](#).

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About the Nonadmitted Insurance Multi State Agreement (NIMA)

NIMA, Inc. provides a mechanism to report, collect, allocate and distribute surplus lines tax revenues consistent with the NIRA. The NIRA is part of the Dodd -Frank Wall Street Reform legislation passed in 2010 that allows only the home state of the insured to require premium tax payments for nonadmitted insurance in the absence of an agreement among states. NIMA, Inc. will allow participating states to continue to collect surplus lines premium taxes according to state laws consistent with the Agreement.