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# OHIO LEGISLATIVE SERVICE COMMISSION

Office of Research  
and Drafting

Legislative Budget  
Office

H.B. 792  
136<sup>th</sup> General Assembly

## Fiscal Note & Local Impact Statement

[Click here for H.B. 792's Bill Analysis](#)

**Version:** As Introduced

**Primary Sponsors:** Reps. J. Thomas and D. Thomas

**Local Impact Statement Procedure Required:** No

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### Highlights

- The bill may increase the Department of Insurance's administrative costs related to regulating insurance agents. Any increase in the Department's administrative costs would be paid from the Department of Insurance Operating Fund (Fund 5540).

### Detailed Analysis

The bill modifies due diligence requirements for an insurance agent and surplus lines broker. Under existing law, a surplus lines broker is prohibited from selling, soliciting, procuring, placing, or renewing insurance with an unauthorized insurer unless an agent or broker has complied with due diligence requirements and is unable to procure the requested insurance from an authorized insurer. To comply with the current due diligence requirements, an insurance agent must contact at least five of the authorized insurers the agent represents, or as many insurers as the agent represents, that customarily write the kind of insurance required by the insured. Currently, due diligence is presumed if every authorized insurer contacted either declines to cover the risk or fails to respond within ten days.

Under the bill, an agent must only thoroughly examine if coverage can be placed with the authorized insurers the agent represents that customarily writes the kind of insurance required by the insured and due diligence is presumed if a declination is received from an authorized insurer contacted or any authorized insurer contacted fails to respond within ten days. The bill allows a surplus lines broker to solicit, procure, place, or renew any insurance with an unauthorized insurer without completing due diligence for any insurance coverage or class included on the export list, as implemented under the bill.

The bill requires the Superintendent of Insurance to create, maintain, and review an insurance "export list." An export list is "a list determined and published by the Superintendent of coverages and classes for which no general market exists with an admitted insurer." The

Superintendent may also revise the list as needed. The bill requires the Superintendent to consider all information enumerated under the bill when creating and revising the export list. The bill allows any person to request, in writing, that the Superintendent add or remove coverage or a class of insurance from the export list. The person must also provide evidence of the market conditions that support the request. The Superintendent, at the Superintendent's sole discretion, may include such coverage or class of insurance on the export list. The bill specifies that the Superintendent and any employee or agent of the Department of Insurance bear no liability with regard to actions authorized under the bill.

## **Fiscal effect**

The bill may increase the Department of Insurance's administrative costs related to regulating insurance agents. Any increase in the Department's administrative costs would be paid from the Department of Insurance Operating Fund (Fund 5540). In 2025, there were six surplus lines insurance companies in Ohio.<sup>1</sup> The bill has no direct fiscal effect to local governments.

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<sup>1</sup> See page 28 of the [Ohio Department of Insurance FY 2025 Annual Report \(PDF\)](#).