

COMMISSIONER OF SECURITIES & INSURANCE

MONICA J. LINDEEN
COMMISSIONER



OFFICE OF THE MONTANA
STATE AUDITOR

ADVISORY MEMORANDUM

To: Surplus Lines Agents

From: Monica J. Lindeen – Montana State Auditor
Commissioner of Securities and Insurance

Date: July 1, 2015

SURPLUS LINES PRODUCER ALLOWABLE FEES

HB 240 was passed by the 2015 Montana Legislature and becomes effective on July 1, 2015. The new law permits a surplus lines producer to charge a flat fee of up to \$50 for a personal lines policy and \$100 for a commercial lines policy. The surplus lines producer fee applies for the term of the policy, and may be assessed upon an existing policy at renewal. The surplus lines producer fee is separate from and in addition to an inspection fee, and is not subject to premium tax, fire tax, or stamping fees.

The surplus lines producer fee is considered fully earned and not refundable upon the cancellation of the policy.

Policies with an effective date prior to July 1, 2015, are not eligible to be assessed the surplus producer fee.

For any questions regarding this advisory memorandum, please contact:

Tim Morris at (406) 444-4489, or by email at tmorris@mt.gov; or
Pam Daugherty at (406) 444-9751, or by email at pdaugherty@mt.gov.