



The Surplus Line
Association of California

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BULLETIN #1358

RE: TWO CHANGES TO EXPORT LIST

The California Department of Insurance (CDI) has announced two changes to the Export List, effective October 24, 2018. The CDI held a hearing on August 22, 2018, at which the SLA and several other witnesses testified.

The department has added commercial third-party liability and optional physical damage insurance for unmanned aerial vehicles and systems with “episodic flight coverage,” and has modified commercial DIC/stand-alone earthquake to commercial DIC/stand-alone earthquake for policies with coverage limits over \$10,000,000.

In its announcement, the CDI reminds all interested parties that risks and coverages not appearing on the Export List may still be exportable, but subject to a diligent search as required by California Insurance Code Section 1763.

To view the CDI bulletin and the current Export List, please [click here](#).

Sincerely,

Joy Erven

Chief Operating Officer and Director
Surplus Line Association of California



STATE OF CALIFORNIA
DEPARTMENT OF INSURANCE
45 FREMONT STREET
SAN FRANCISCO, CA 94105

Bulletin No. 2018-3
October 24, 2018

TO: All Surplus Line Brokers, Admitted Insurers, and Other Interested Persons

SUBJECT: Export List

Pursuant to Insurance Code Section 1763.1, the Commissioner may by order declare eligible for placement with a nonadmitted insurer and exempt from all the requirements of Section 1763, except the filing of a confidential written report, any type of insurance coverage or risk for which he finds after a public hearing that there is not a reasonable or adequate market among admitted insurers or that the type of coverage is for new, innovative products for which a reasonable or adequate market among admitted insurers has not had time to develop.

This year, the Department held a public hearing and comment period regarding the annual renewal of the list as required by the statute. After the public hearing and receiving comments, the Commissioner has decided to make the following two changes to the Export List: 1) the addition of "Commercial third-party liability and optional physical damage insurance for unmanned aerial vehicles and systems with 'episodic flight coverage,'****" and 2) the modification of "Commercial DIC/Standalone Earthquake" to "Commercial DIC/Standalone Earthquake for policies with coverage limits over \$10,000,000." These changes shall take effect immediately as of the date of this Bulletin.

The Department reminds you that risks and coverages not appearing on this list may still be exportable but subject to the full documentation of the diligent search being performed with respect to insurance issued to a home state insured as required by Insurance Code Section 1763.

A public hearing will be held annually or more often at the Commissioner's discretion regarding the attached Export List. The Commissioner or his designee shall notify all surplus line brokers of any removal from the list. The contact person is Audrie Lee, Attorney III, Department of Insurance, 45 Fremont Street, San Francisco, CA 94105, (415) 538-4434.

DAVE JONES
Insurance Commissioner

By 
Joel Laucher, Chief Deputy

EXPORT LIST 2018-2

ACCIDENT/DISABILITY

BRIDGE PLAN *

HIGH LIMITS DISABILITY **

INTERNATIONAL MAJOR MEDICAL

AUTOMOBILES

EXOTIC/CLASSIC/ANTIQUA AUTOS WITH A VALUE IN EXCESS OF \$100,000

AVIATION

AVIATION EXCESS LIABILITY

SHORT TERM MEDIA/ENTERTAINMENT NON-OWNED CONTINGENT AIRCRAFT LIABILITY (FILM/ENTERTAINMENT PRODUCTIONS)

CRIME

EXCESS CRIME

KIDNAP & RANSOM

DRONE

COMMERCIAL THIRD-PARTY LIABILITY AND OPTIONAL PHYSICAL DAMAGE INSURANCE FOR UNMANNED AERIAL VEHICLES AND SYSTEMS WITH 'EPISODIC FLIGHT COVERAGE.'***

FIRE & ALLIED LINES

AMUSEMENT PARKS/CARNIVALS AND AMUSEMENT DEVICES

COMMERCIAL DIC/STAND ALONE EARTHQUAKE FOR POLICIES WITH COVERAGE LIMITS OVER \$10,000,000

DISASTER INCOME PROTECTION

EXCESS FLOOD

EXPLOSIVE MANUFACTURING/SALES/STORAGE

HAY IN THE OPEN

HOMEOWNERS EARTHQUAKE/EXCESS LIMITS OR DEDUCTIBLE BUYBACK

INDIVIDUAL INSURED WITH LARGE SCHEDULES WHERE THE TIV (TOTAL INSURED VALUES) ARE IN EXCESS OF \$500 MILLION

SAWMILLS

VACANT BUILDINGS

GENERAL LIABILITY

AMBULANCE SERVICES INCLUDING PROFESSIONAL LIABILITY
AMUSEMENT PARKS/CARNIVALS/DEVICES
BLASTING CONTRACTORS
BUILDING MOVING
CLINICAL AND SIMILAR TESTS OF PHARMACEUTICAL, MEDICAL, BIOLOGICAL &
OTHER SIMILAR PRODUCTS
CONTRACTORS ENGAGED IN CONSTRUCTION OF NEW TRACT HOMES AND/OR
NEW CONDOMINIUMS
CRANE & RIGGING CONTRACTORS
DEMOLITION CONTRACTORS
EMPLOYMENT PRACTICES LIABILITY
ENVIRONMENTAL IMPAIRMENT REMEDIATION AND POLLUTION LIABILITY
EXCESS LIABILITY WHERE PART OF UNDERLYING IS NONADMITTED
EXPLOSIVES INCLUDING MANUFACTURING/SALES/STORAGE
FIREWORKS DISPLAYS
FOSTER FAMILY (OCCURRENCE BASED ONLY)
HOT AIR BALLOON
LIMITS THAT ATTACH IN EXCESS OF \$150 MILLION
OILFIELD CONTRACTORS
OUTFITTERS AND GUIDES
PATENT/TRADEMARK/COPYRIGHT INFRINGEMENT
PRODUCTS RECALL
PRODUCTS/COMPLETED OPERATIONS (WRITTEN ON A STANDALONE BASIS)
SEASONAL OR MOBILE FAIRS, CONCESSIONAIRES, VENDORS AND FAIRS, WITH
OR WITHOUT LIQUOR LIABILITY
SECURITY GUARD SERVICES
SHORT TERM MEDIA/ENTERTAINMENT RAILROAD PROTECTIVE LIABILITY
(FILM/ENTERTAINMENT PRODUCTIONS)
SHORT TERM SPECIAL EVENTS (EXCLUDING HOLE-IN-ONE)
TATTOO AND BODY PIERCING SHOPS

INLAND MARINE

ALL VESSELS IN EXCESS OF 30 FEET AND RATED WITH A MAXIMUM SPEED OF
45 MPH
ANY VESSEL WITH A MAXIMUM RATED SPEED IN EXCESS OF 55 MPH

EXCESS MOTOR TRUCK CARGO

PERSONAL ARTICLES FLOATERS WRITTEN ON A STAND ALONE BASIS WHERE THE VALUE OF THE SCHEDULE IS IN EXCESS OF \$1M OR CONTAINS A SINGLE ITEM(S) OVER \$100,000

MISCELLANEOUS

EVENT CANCELLATION

POLITICAL RISKS INCLUDING EXPROPRIATION, CONFISCATION, UNFAIR CALLING

PRIZE INDEMNIFICATION (EXCLUDING HOLE-IN-ONE COVERAGE)

SHORT TERM MEDIA/ENTERTAINMENT FAILURE TO SURVIVE FOR \$5 MILLION AND OVER (FILM/ENTERTAINMENT PRODUCTIONS)

PROFESSIONAL LIABILITY/ERRORS & OMISSION

ARCHITECTS & ENGINEERS/CONDO COVERAGE ONLY

CAMPAIGN TREASURERS

CREDITORS' COMMITTEES

PHYSICIAN/MEDICAL GROUP/HOSPITAL BILLING E/O

TATTOO & BODY PIERCING SHOPS E/O

* The Bridge Plan covers 65 year old people who must wait a certain period before they can enroll in Medicare. These people either 1) failed to meet the residency requirement of Medicare and must wait 5 years to meet the residency requirement or 2) failed to enroll during the proper Medicare enrollment period and now must wait a brief period before they are eligible to enroll.

** High Limits Disability is coverage that offers benefit amounts over the admitted market maximum issue and participation limits and/or includes occupations which are not eligible.

*** 'Episodic flight coverage' insures claims involving unmanned aerial vehicles or systems while in flight, with incremental coverage periods up to one year (not annual), and a coverage territory that lacks radius restrictions.