



RICARDO LARA
CALIFORNIA INSURANCE COMMISSIONER

NOTICE OF PUBLIC HEARING REGARDING EXPORT LIST

NOTICE IS HEREBY GIVEN that the California Insurance Commissioner will hold a public hearing, as set forth below, concerning the renewal of the export list in the surplus lines area:

December 10, 2020
10:00 a.m.
California Department of Insurance
TELEPHONIC PARTICIPATION ONLY*
Toll-Free Telephone Number: 844-867-6169
Passcode number: 5618354

Participants will be given instructions on how to provide testimony once they have accessed the hearing. The hearing will continue on the date noted above until all testimony has been submitted or until 5:00 p.m., whichever is earlier.

ACCESS TO TELEPHONIC CONFERENCE CALL

This hearing will be open to the public. To aid the Department of Insurance (CDI) in managing testimony and participation, we request that you RSVP as soon as possible, preferably by November 27, 2020, by providing your name(s), the name of the organization you represent, and your contact information, including the email address of each attendee to ExportListHearing@insurance.ca.gov. An RSVP is not required to attend the telephonic conference and all attendees are invited to participate regardless of an RSVP.

The telephonic conference to be used for the public hearing is accessible to persons with mobility impairment. Persons with sight or hearing impairments are requested to notify ExportListHearing@insurance.ca.gov in order to make specific arrangements.

EXPORT LIST

Pursuant to California Insurance Code (CIC) §1763.1, the Commissioner by order, may declare permissible for placement for a California home state insured with a non-admitted insurer and exempt from all the requirements of §1763, except the filing of a confidential written report, any type of insurance coverage or risk for which he or she 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. (Cal. Ins. Code § 1763.1, subd. (a).)

RENEWAL

Pursuant to CIC §1763.1, a public hearing shall be held annually regarding the export list. The current export list is attached. The above noticed hearing is being set to take testimony on the export list to see if any items should be added or removed.

In preparing your comments and/or testimony, please be aware that items not appearing on this list will still be exportable but subject to the full documentation of the search performed pursuant to CIC §1763.

HEARING AND WRITTEN TESTIMONY

This hearing is public and interested parties may testify as time permits. The hearing will be structured with time and place priority afforded to those who signed up in advance to speak. If you wish to sign up in advance to speak, please submit your written request to the contact email listed below by November 27, 2020.

Based on suggestions received in response to the Pre-Hearing Notice issued by CDI on September 8, 2020, there is a possibility that there may be requests to add the following products, and/or variations, to the Export List (worded as suggested):

- Brush Exposed Homeowners Business
- Commercial Property Insurance for Accounts in High Brush Areas
- Class – Trucking: Commercial Auto Liability and Auto Physical Damage
- Excess Auto Liability and Excess Liability with a Substantial Auto Component
- Production Related COVID Cast, Civil Authority and Imminent Peril Insurance
- All Commercial Earthquake
- Difference in Conditions and the peril of Earthquake
- Scaffold / Scaffold Contractor
- Cyber Coverage
- Commercial Cyber Liability
- First-Dollar, Economic Loss Parametric Earthquake Gap Coverage (no physical damage requirement)
- Parametric Earthquake Insurance (no physical damage requirement, no deductible, no claims adjustment - 70% shake intensity or above threshold triggers coverage).

In addition, there is a possibility that there may be a request to modify the following product currently on the Export List: deletion of the threshold “with coverage limits over \$10,000,000” from “Commercial DIC/Stand Alone Earthquake for Policies with Coverage Limits Over \$10,000,000.”

PLEASE BE AWARE THAT IN ORDER FOR THE COMMISSIONER TO CONSIDER ADDING A RISK OR COVERAGE TO THE EXPORT LIST, THE COMMISSIONER MUST HAVE EVIDENCE THAT THERE IS NOT AN ADEQUATE OR REASONABLE MARKET FOR THE RISK OR COVERAGE IN THE ADMITTED MARKET 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. SUBMISSION OF A STATEMENT SIMPLY REQUESTING A RISK OR COVERAGE TO BE ADDED TO THE LIST WITHOUT OTHER SUPPORTING EVIDENCE OF THE LACK OF AN ADEQUATE OR REASONABLE ADMITTED MARKET 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 WILL NOT BE ENOUGH FOR THE COMMISSIONER TO ADD A RISK OR COVERAGE TO THE LIST.

All written testimony, comments, or documents must be sent to CDI via email and received by CDI at the email address below, no later than 5:00 p.m. on December 10, 2020. All written testimony received at the hearing will be considered part of the hearing record. CDI will not accept any written testimony, comments, or documents which are transmitted to it by facsimile.

Please direct any questions regarding this notice, opportunities to testify, and written submissions for the record, to: ExportListHearing@insurance.ca.gov.

* If the manner in which the hearing will be conducted changes, CDI will send a notice regarding the change(s) in advance of the hearing.

DATED: November 10, 2020.

RICARDO LARA
Insurance Commissioner



By _____
Audrie Lee
Attorney III
Corporate Affairs Bureau

EXPORT LIST 2020

ACCIDENT/DISABILITY

HIGH LIMITS DISABILITY **

INTERNATIONAL MAJOR MEDICAL

AUTOMOBILES

EXOTIC/CLASSIC/ANTIQUE 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

** 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.