

SURPLUS LINES (E) TASK FORCE

Surplus Lines (C) Task Force July 31, 2025, Minutes

2026 Task Force Charges (Attachment One)

Surplus Lines Industry Results Presentation (Attachment Two)

Draft Pending Adoption

Draft: 8/10/25

Surplus Lines (C) Task Force Virtual Meeting July 31, 2025

The Surplus Lines (C) Task Force met July 31, 2025. The following Task Force members participated: Larry D. Deiter, Chair, Johanna Nickelson, and Frank Marnell (SD); Timothy J. Temple, Vice Chair, represented by Tom Travis (LA); Heather Carpenter represented by Sian Ng-Ashcraft (AK); Mark Fowler represented by Jimmy Gunn (AL); Maria Ailor represented by Lori Dreaver Munn (AZ); Ricardo Lara represented by David Ta (CA); Trinidad Navarro represented by Susan Jennette (DE); Michael Yaworsky represented by Jane Nelson (FL); John F. King represented by Scott Sanders (GA); Scott Saiki represented by Lance Hirano (HI); Doug Ommen represented by Kim Cross (IA); Dean L. Cameron represented by Randy Pipal (ID); Vicki Schmidt represented by Craig Van Aalst (KS); Michael T. Calijouw represented by Jim McCarthy (MA); Marie Grant represented by Erin Nickles (MD); Grace Arnold represented by Kathleen Orth (MN); Justin Zimmerman represented by Aileen Egan (NJ); Ned Gaines represented by Gennady Stolyarov (NV); Glen Mulready represented by Eli Snowbarger (OK); Michael Wise represented by Rachel Moore (SC); Cassie Brown represented by Jamie Walker (TX); and Patty Kuderer represented by Nicole Rayl (WA).

1. Adopted its Spring National Meeting Minutes

Walker made a motion, seconded by Snowbarger, to adopt the Task Force's Feb. 27 minutes (*see NAIC Proceedings – Spring 2025, Surplus Lines (C) Task Force*). The motion passed unanimously.

2. Adopted the Report of the Surplus Lines (C) Working Group

Snowbarger stated that the Working Group met March 19 in regulator-to-regulator session, pursuant to paragraph 3 (specific companies, entities, or individuals) of the NAIC Policy Statement on Open Meetings. During this meeting, the Working Group approved one application for admittance to the April 1 *Quarterly Listing of Alien Insurers*.

Travis made a motion, seconded by Munn, to adopt the report of the Surplus Lines (C) Working Group. The motion passed unanimously.

3. Adopted its 2026 Proposed Charges

Director Deiter stated that the 2026 proposed charges for the Task Force and the Surplus Lines (C) Working Group remain unchanged from their previous charges.

Walker made a motion, seconded by Travis, to adopt the Task Force's 2026 proposed charges (Attachment One). The motion passed unanimously.

4. Heard a Presentation on Surplus Lines Industry Results

Andy Daleo (NAIC) and Bree Wilson (NAIC) provided a presentation on year-end 2024 surplus lines industry results (Attachment Two). The summary included details on participants in the U.S. surplus lines market, writings, and trends in the industry. The presentation also included market exposure for cybersecurity and private flood. Following the summary, Director Deiter indicated that the industry results would be posted on the Surplus Lines (C) Working Group's web page.

Draft Pending Adoption

Having no further business, the Surplus Lines (C) Task Force adjourned.

SharePoint/NAIC Support Staff Hub/Member Meetings/C CMTE/SLTF/2025 Fall NM/SLTF Minutes July 31 2025.docx

Draft: 7/22/25

Adopted by the Executive (EX) Committee and Plenary—

Adopted by the Property and Casualty Insurance (C) Committee—

Adopted by the Surplus Lines (C) Task Force—

2026~~5~~ Proposed Charges

SURPLUS LINES (C) TASK FORCE

The mission of the Surplus Lines (C) Task Force is to monitor the surplus lines market and regulation, including the activity and financial condition of U.S. and non-U.S. surplus lines insurers participating in the U.S. market, by providing a forum for discussion of issues and to develop or amend relevant NAIC model laws, regulations, and/or guidelines.

The **Surplus Lines (C) Task Force** will:

- A. Provide a forum for discussion of current and emerging surplus lines-related issues and topics of public policy and determine appropriate regulatory response and action.
- B. Review and analyze industry data on U.S. domestic and non-U.S. surplus lines insurers participating in the U.S. market.
- C. Monitor federal legislation related to the surplus lines market and ensure all interested parties remain apprised.
- D. Develop or amend relevant NAIC model laws, regulations, and/or guidelines.
- E. Oversee the activities of the Surplus Lines (C) Working Group.

The **Surplus Lines (C) Working Group** will:

- A. Operate in regulator-to-regulator session pursuant to paragraph 3 (specific companies, entities, or individuals) of the NAIC Policy Statement on Open Meetings and in open session when discussing surplus lines topics and policy issues, such as amendments to the International Insurers Department (IID) Plan of Operation.
- B. Maintain and draft new guidance within the IID Plan of Operation regarding standards for admittance and continued inclusion on the NAIC *Quarterly Listing of Alien Insurers*.
- C. Review and consider appropriate decisions regarding applications for admittance to the NAIC *Quarterly Listing of Alien Insurers*.
- D. Analyze renewal applications of alien surplus lines insurers on the NAIC *Quarterly Listing of Alien Insurers* and ensure solvency and compliance per the IID Plan of Operation guidelines for continued listing.
- E. Provide a forum for surplus lines-related discussion among jurisdictions.

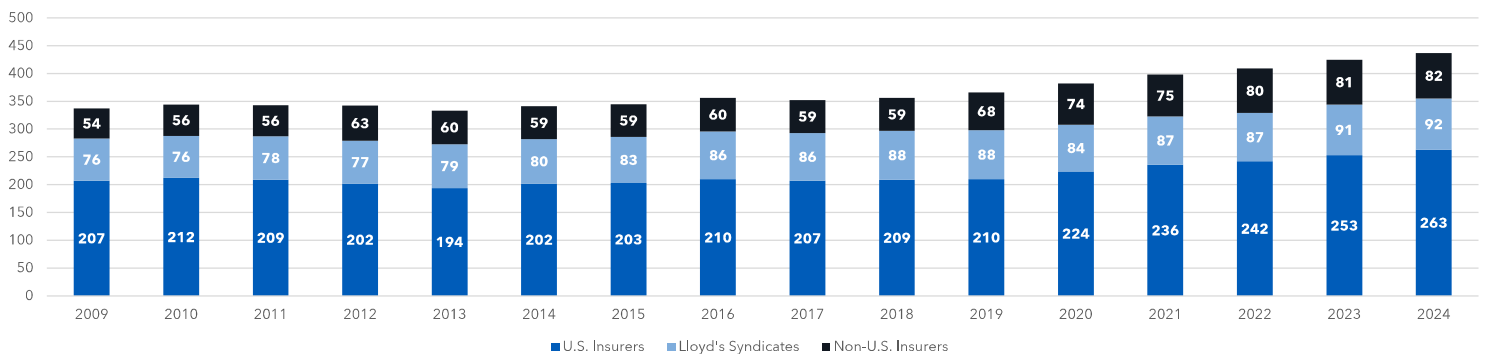
The 2024 Surplus Lines Industry

Andy Daleo, Sr. Manager– Domestic and Intl Analysis
Bree Wilson, Sr. International Financial Analyst II



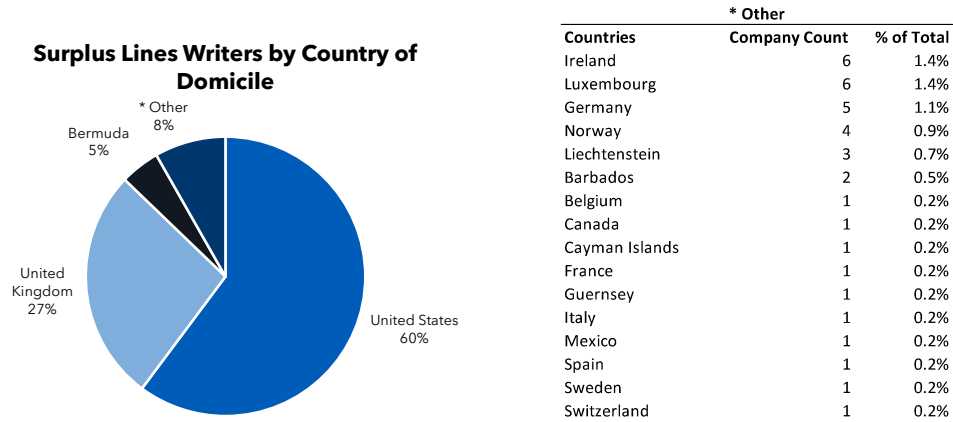
Surplus Lines Insurers - Historical Trend

(At Each Year-end)

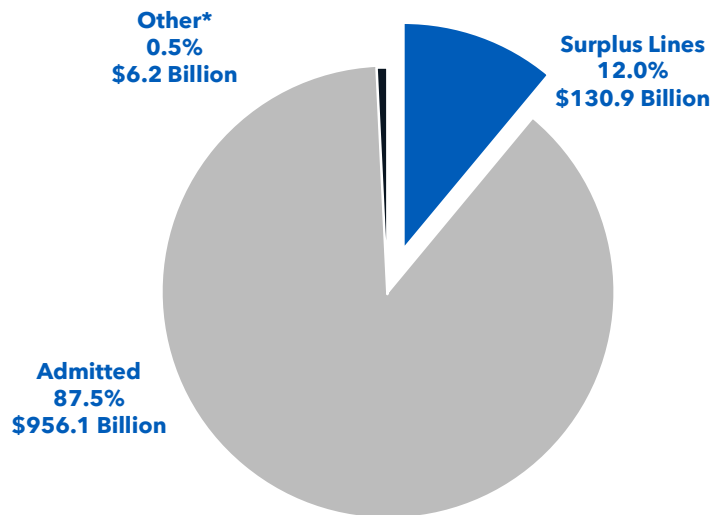


Surplus Line Writers by Country of Domicile

(Based on 2024 Data)



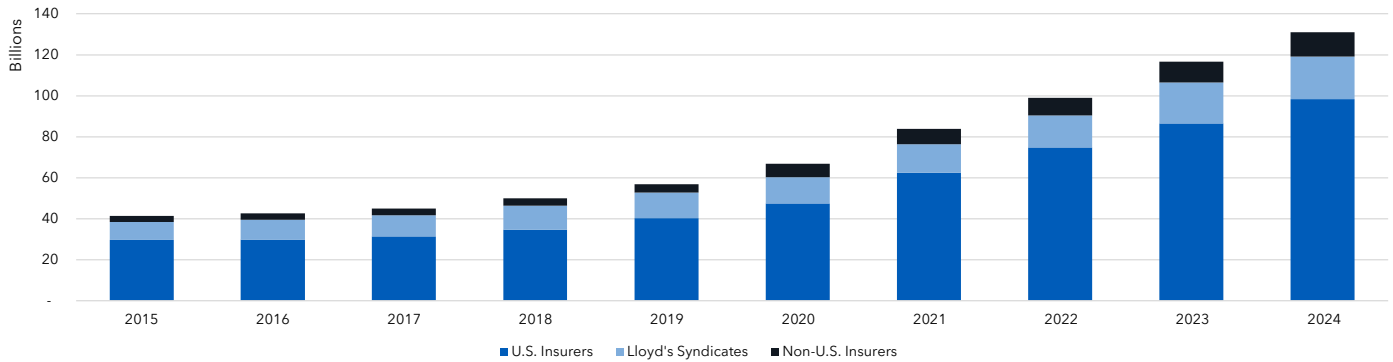
2024 Total U.S. P/C Market - \$1.1 Trillion DPW



* Other Includes: unlicensed premiums or U.S. domiciled insurers writing business outside the U.S.

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U.S. Surplus Market Direct Premium Written



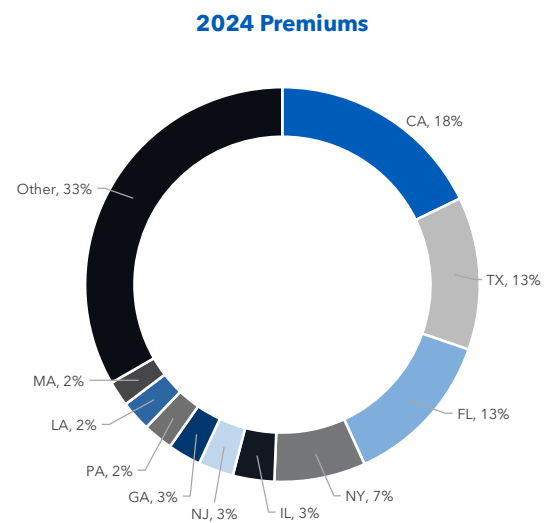
(\$ in billions)	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
U.S. Insurers	\$29.7	\$29.9	\$31.4	\$34.6	\$40.3	\$47.5	\$62.4	\$74.9	\$86.5	\$98.4
Lloyd's Syndicates	\$8.6	\$9.6	\$10.3	\$11.8	\$12.5	\$12.7	\$13.9	\$15.5	\$19.9	\$20.8
Non-U.S. Insurers	\$3.0	\$3.1	\$3.3	\$3.5	\$4.2	\$6.6	\$7.6	\$8.7	\$10.7	\$11.7
Total	\$41.4	\$42.6	\$45.0	\$49.9	\$56.9	\$66.8	\$83.9	\$99.1	\$117.1	\$130.9

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8/12/2025 5

Top 10 States Market Share - based on DPW

State	2024	2023	2022	2021
CA	17.8%	17.0%	18.3%	18.3
TX	12.9%	13.0%	12.5%	12.4%
FL	12.5%	12.7%	12.0%	10.9%
NY	7.5%	7.6%	7.9%	8.3%
IL	3.5%	3.5%	3.6%	3.6%
NJ	2.9%	2.8%	2.7%	3.2%
GA	2.7%	2.8%	2.7%	2.8%
PA	2.4%	2.5%	2.6%	2.7%
LA	2.4%	2.6%	2.5%	2.5%
MA	2.1%	2.2%	2.3%	2.4%



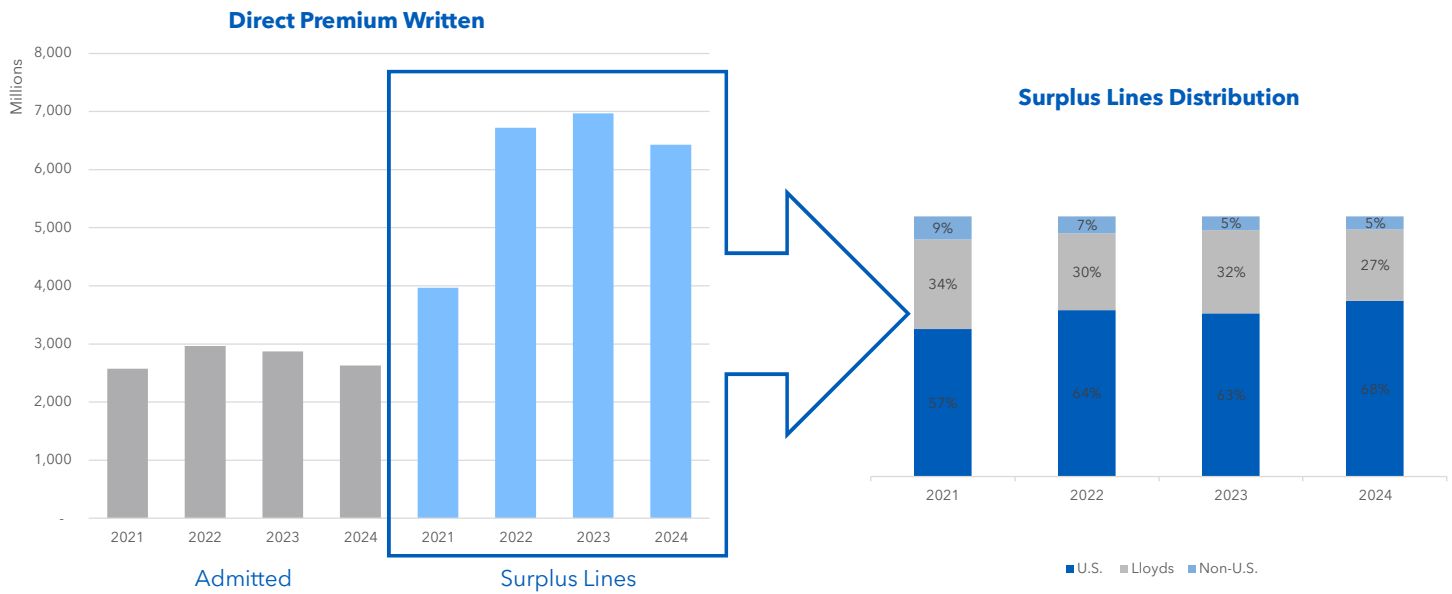
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8/12/2025 6

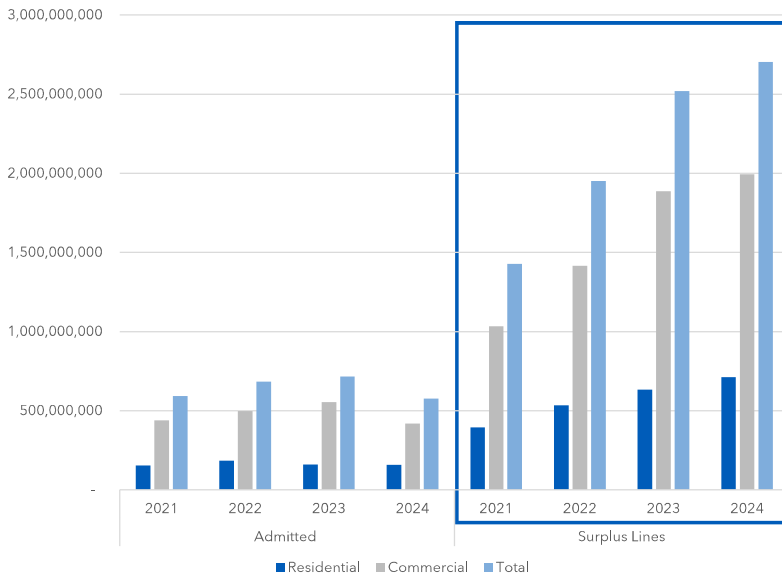
Top 5 lines of business - based on DPW

Surplus Lines Premiums by Line of Business						
(\$ in billions)	2024 Direct Premiums			2023 Direct Premiums		
	U.S.	Non-U.S.	2024 Total Surplus Lines	U.S.	Non-U.S.	2023 Total Surplus Lines
Other liability / Product Liability	\$47.7	\$7.8	\$55.5	\$42.2	\$6.7	\$48.9
Fire & Allied Lines	\$22.9	\$12.1	\$34.9	\$20.1	\$11.1	\$31.2
Commercial Multiple Peril	\$7.2	\$2.1	\$9.3	\$6.5	\$1.9	\$8.4
Commercial Auto	\$5.7	\$.8	\$6.5	\$4.7	\$.7	\$5.4
Marine (ocean & inland)	\$3.3	\$1.7	\$5.0	\$3.0	\$2.2	\$5.2
Total Direct Premiums	\$98.4	\$32.5	\$130.9	\$86.5	\$30.6	\$117.1

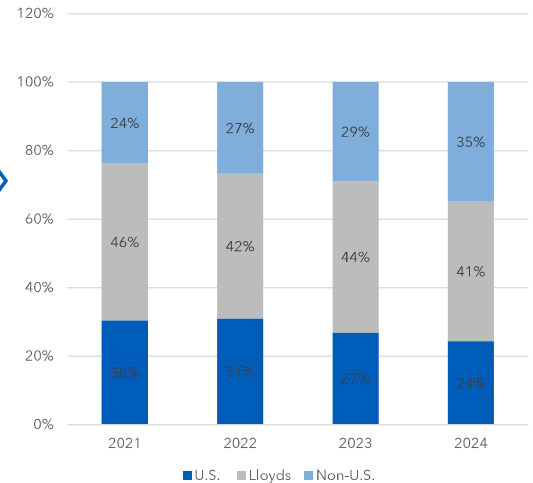
Cybersecurity



Direct Premium Written



Surplus Lines Distribution



SLTF Webpage

Surplus Lines (C) Task Force

Property and Casualty Insurance (C) Committee

2025 Membership (PDF)

The mission of the Surplus Lines (C) Task Force is to monitor the surplus lines market and regulation, including the activity and financial condition of U.S. and non-U.S. surplus lines insurers participating in the U.S. market by providing a forum for discussion of issues and to develop or amend relevant NAIC model laws, regulations and/or guidelines.

2025 Charges

- The **Surplus Lines (C) Task Force** will:
 - Provide a forum for discussion of current and emerging surplus lines-related issues and topics of public policy and determine appropriate regulatory response and action.
 - Review and analyze industry data on U.S. domestic and non-U.S. surplus lines insurers participating in the U.S. market.
 - Monitor federal legislation related to the surplus lines market, and ensure all interested parties remain apprised.
 - Develop or amend relevant NAIC model laws, regulations, and/or guidelines.
 - Oversee the activities of the Surplus Lines (C) Working Group.

Upcoming Meeting

Public Webex Meeting
Thursday, July 31, 2025
2:00 PM ET, 1:00 PM CT, 12:00 PM MT, 11:00 AM PT
Expected Duration: 1 hour
[Webex Link](#)

This call is being held in lieu of meeting at the 2025 Summer National Meeting.

Agenda & Materials

[Add to Calendar](#)

[Meeting Materials](#) [Exposure Drafts](#) [Documents](#)

[State Department of Insurance Surplus Lines Contact Directory](#)
[Exempt Commercial Purchasers Criteria](#)
[Domestic Surplus Line Insurers](#)
[CIPR Surplus Lines](#)
[Nonadmitted Insurance Model Act \(#870\)](#)
[Guideline on Nonadmitted Accident and Health Coverages \(GL-1860-1\)](#)

DSLI Report

NAIC Regulator Industry Consumer Committees Resource Center Insurance Departments About

UCAA UNIFORM CERTIFICATE of AUTHORITY APPLICATION

DOMESTIC SURPLUS LINE INSURERS

States listed on the Domestic Surplus Lines Insurers (DSLI) chart have enacted statutes or regulations that allow for DSLI carriers in their state. States that have not enacted statutes or regulations allowing DSLI carriers are not included on the chart.

Last update: 03/17/2025.
Updates to the information will be noted with a *** next to the state name and edits will be italicized and bolded.

STATE	STATUTE/REGULATION	INITIAL APPLICATION	ADDITIONAL REQUIREMENTS	BOARD OF DIRECTORS - RESOLUTION REQUIRED	MINIMUM CAPITAL & SURPLUS	EXISTING ADMITTED BUSINESS	FEES	WEBSITE	STATE CONTACT
AZ	20-407.01	UCAA PRIMARY	FORM SL-112	YES	\$15 MILLION	MUST BE REMOVED FROM THE COMPANY THROUGH NOVATION, CANCELLATION OR NON-RENEWAL OF POLICIES OR SOME OTHER MECHANISM APPROVED BY THE DIRECTOR	NEW: \$370.00 CONVERSION: \$195.00	ARIZONA WEBSITE - SURPLUS LINES INSURER	CARY COOK CARY.COOK@DIFIAZ.GOV 402.364.3986
AR	ARK. CODE ANN. 23-65-330	UCAA PRIMARY	NO STATE SPECIFIC FORMS.	YES	\$20 MILLION	MUST BE REMOVED FROM THE COMPANY THROUGH NOVATION, CANCELLATION OR NON-RENEWAL OF POLICIES OR SOME OTHER MECHANISM APPROVED BY THE INSURANCE	NEW: \$1,000.00 CONVERSION: \$500.00	ARKANSAS WEBSITE - SURPLUS LINES INSURER	CLARA D. MEZZA 501-683-3497 CLARA.MEZZA@ARKANSAS.GOV

SLWG Webpage

Surplus Lines Industry Report: <https://content.naic.org/committees/c/surplus-lines-wg>

NAIC Regulator Industry Consumer Committees Resource Center Insurance Departments About

Surplus Lines (C) Working Group

Property and Casualty Insurance (C) Committee +

2025 Membership (PDF)

Meeting Materials Exposure Drafts Documents

- [Alien Insurers Approved to Write Surplus Lines in the U.S.](#)
- [Quarterly Listing of Alien Insurers](#)
- [Industry Data and Information](#)
- [IID Surplus Lines Industry Summary](#)
- [CIPR Surplus Lines](#)



Questions

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