



## Texas Department of Insurance

Financial Regulation Division - Company Licensing and Registration Office, Mail Code 305-2C  
333 Guadalupe • P.O. Box 149104, Austin, Texas 78714-9104  
512-322-3535 telephone • 512-490-1035 fax • [www.tdi.texas.gov](http://www.tdi.texas.gov)

# Memorandum

To: **SURPLUS LINES AGENTS AND INSURERS**

From: Tara Mitchell, Registrations Officer  
Company Licensing and Registration

Date: January 1, 2014

Subject: Evidence Filing Requirements for 2014 Surplus Lines Eligibility

Effective June 14, 2013, new legislation was enacted which aligns Texas surplus lines statute with the federal law. Under The Dodd-Frank Non-Admitted Reinsurance Reform Act (NRRA), state's oversight of surplus lines insurers is further limited. Full text of the Act can be viewed at <http://www.capitol.state.tx.us/BillLookup/History.aspx?LegSess=83R&Bill=SB951>. Click on the "Text" tab and then view the "Enrolled" version of the bill.

Filing requirements for 2014 are in accordance with Texas Insurance Code Chapter 981 as amended. This year, a rule-making process is underway to update Texas Administrative Code, 28 TAC Chapter 15 to conform to current law.

The minimum capital and surplus requirement for foreign surplus lines insurers is \$15 million or the minimum required in the state of domicile, whichever is higher, in accordance with the NRRA. Failure to maintain at least \$15 million in capital and surplus may result in the removal of the insurer from the Texas Department of Insurance "Surplus Lines Insurers List." Failure to comply with the evidence filing requirements may also subject the insurer to removal from the list. The minimum capital and surplus requirement for alien surplus lines insurers that appear on the NAIC's IID list is increased to \$45 million as of January 1, 2014. The NAIC's IID webpage is located at [http://www.naic.org/committees\\_c\\_surplus\\_lines\\_iid\\_plan.htm](http://www.naic.org/committees_c_surplus_lines_iid_plan.htm). Additional bulletins, market data, and company financial information is maintained on the Texas Stamping Office website at [www.slsot.org](http://www.slsot.org).

Inquiries about the contents of this memo should be directed to Company Licensing and Registration, Texas Department of Insurance, [registrationteam@tdi.texas.gov](mailto:registrationteam@tdi.texas.gov).

The appropriate checklist must be completed and filed with the required documents, if documents are sent directly to the department. For NAIC required filings, a checklist or notification to the department is not necessary. Checklists for both foreign (U.S. domiciled) [FIN422 \(U.S.\)](#) and alien (non-U.S. domiciled) [FIN423 \(non-U.S.\)](#) companies are located on our website.

Required documents must be submitted to each office, preferably by email. Submit to:

Texas Department of Insurance  
Company Licensing and Registration, MC 305-2C  
333 Guadalupe  
Austin, TX 78701  
512-322-3535, FAX 512-490-1035  
[registrationteam@tdi.texas.gov](mailto:registrationteam@tdi.texas.gov)

Surplus Lines Stamping Office of Texas  
805 Las Cimas Parkway, Suite 150  
Austin, TX 78746-5493  
512-346-3274 ext 220, FAX 512-346-3422  
[evidence@slsot.org](mailto:evidence@slsot.org)

**Note the following:**

- Documents filed solely with the Stamping Office are not deemed to be filed with the Texas Department of Insurance.
- All evidence submitted must have the complete name of the surplus lines insurer clearly displayed.
- Financial statements that are timely filed with the NAIC suffice for this department. Please do not transmit additional copies (either hard copy or electronically).

**Due Date**

The due date for filing documents varies based on the type of evidence required. Due dates are clearly stated for each required item.

If an insurer is unable to comply with the due dates, a written explanation must be filed with the department (with a copy to the Surplus Lines Stamping Office of Texas) using the Comments Section of the required checklist. The explanation must include date the evidence will be filed. **Failure to make timely filings may result in the suspension or revocation of the insurer's eligibility.**