

Licensed

(Admitted P&C Market)

VS

Surplus Lines

(Specialty Excess Market)

Definition

An insurance company licensed to do business in the State of Texas. Examples below:



An insurance company licensed outside the State of Texas or designated as a domestic surplus lines insurer. Examples below:



Purpose

Insurance for specified perils/risks available in the standard market

- Specialty insurance for high risk, increased capacity, & new/emerging markets
- Provides coverage where admitted market cannot

Policy Forms

Prior approval required by Texas Department of Insurance (TDI)

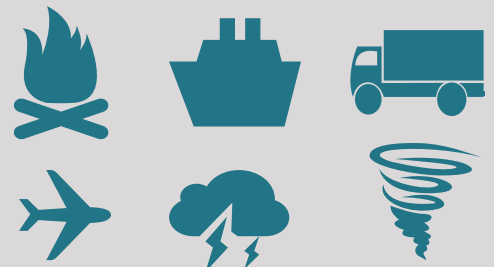
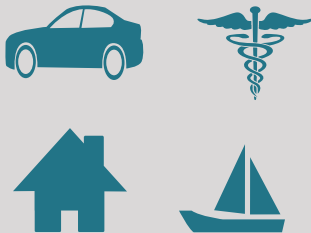
Not required due to specialized need

Custom Policies

Available

Available

Coverage Types



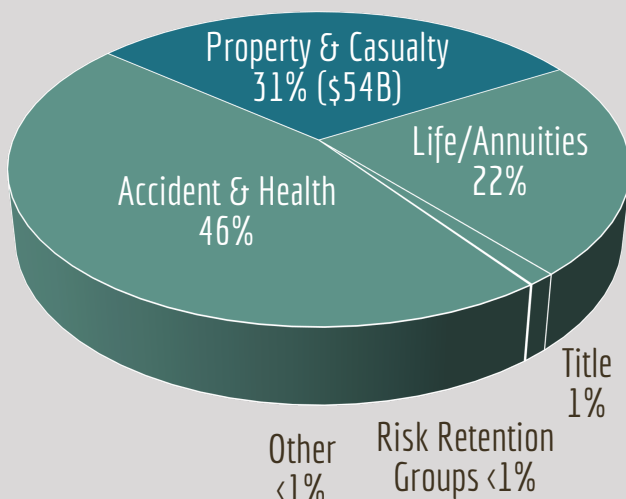
Insurer Solvency Requirements

\$5M in Net Worth

- \$15M for Foreign (US based companies)
- \$45M for Alien (non-US based companies)

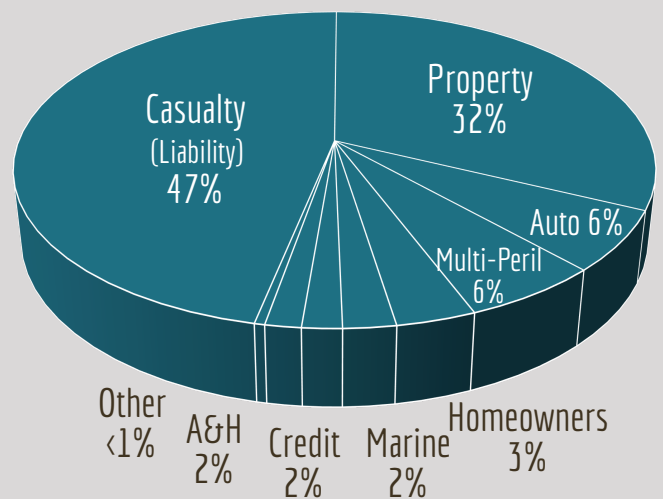
2018 Texas Premium

\$175B

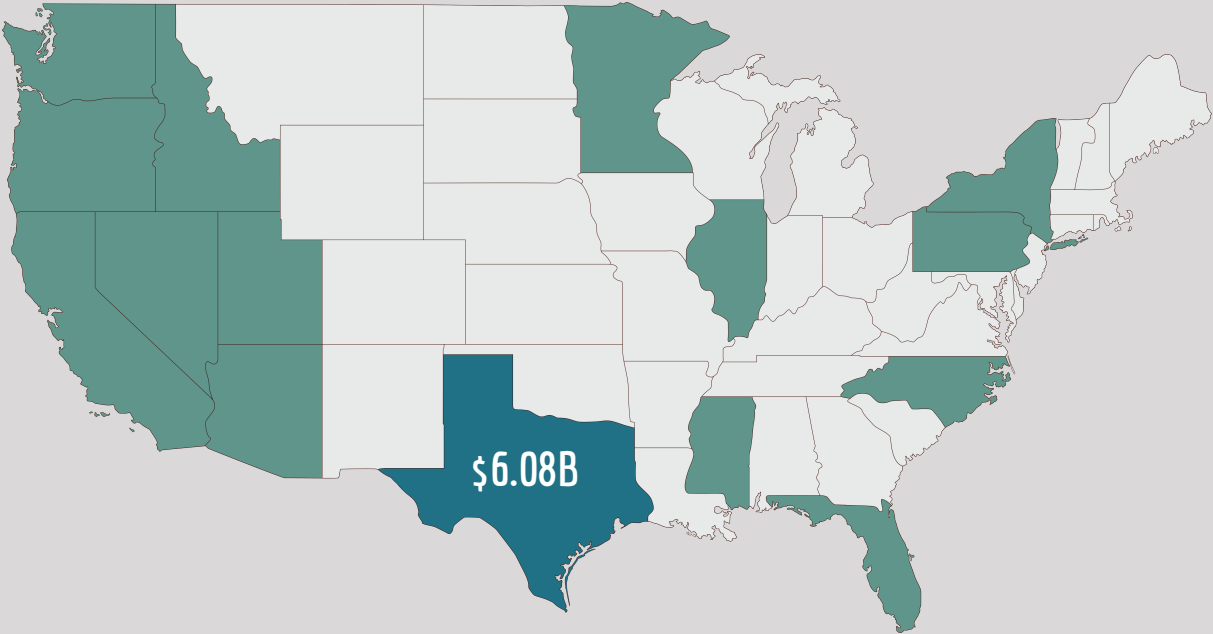


\$6.08B

Surplus Lines insurance represents 11% of the total Texas P&C market

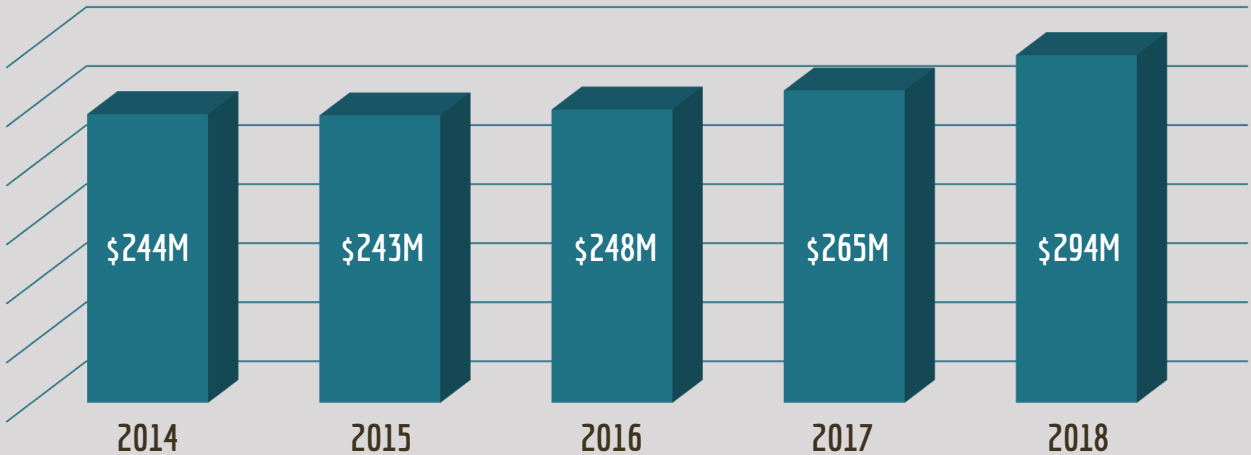


2018 US Surplus Lines Premium



State	Premium
AZ	\$587M
CA	\$7.63B
ID	\$117M
NV	\$381M
OR	\$404M
UT	\$297M
WA	\$1.04B
FL	\$5.82B
MS	\$422M
NC	\$770M
TX	\$6.08B
IL	\$1.59B
MN	\$518M
NY	\$4.42B
PA	\$1.28B
Total	\$31.4B

Texas Surplus Lines Tax Revenue



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(Specialty Excess Market)

Texas Statute

- Texas Insurance Code Chapters 822 & 861
- Licensed to sell insurance in Texas
- Evaluated by TDI

- Texas Insurance Code Chapter 981
- Eligible & registered in Texas
- Oversight by SLTX

Texas Guaranty Fund

\$300K per claim

None - solvency requirements are higher