SLTX SURPLUS℠ LINES
STAMPING OFFICE OF TEXAS

ANNUAL REPORT 2022

STAMPING OFFICE HISTORY

The Surplus Lines Stamping Office of Texas ("Stamping Office") was created by the 70th Legislature in 1987 to provide oversight with statutory regulation, research, and reporting for the surplus lines market. The Stamping Office encourages and enhances compliance by agents and insurers, and performs functions enumerated in the Texas Insurance Code to assist the Texas Department of Insurance ("TDI") with functional compliance with the surplus lines insurance laws of the State of Texas.

Annual Reporting Requirements

This report is made pursuant to the Stamping Office Plan of Operation, which requires that an annual summary of operations containing information on transactions, conditions, operations, and investments during the preceding year be made to the Deputy Commissioner of the Financial Regulation Division, or the deputy commissioners designee.

TRANSACTIONS

LINES OF BUSINESS
2022 PREMIUM, AGGREGATED BY COVERAGE

LIABILITY
$5.20 BILLION

MARINE
$269 MILLION

PROPERTY
$3.86 BILLION

MEDICAL
MALPRACTICE
$105 MILLION

AUTO
$767 MILLION

ACCIDENT &
HEALTH
$84
MILLION
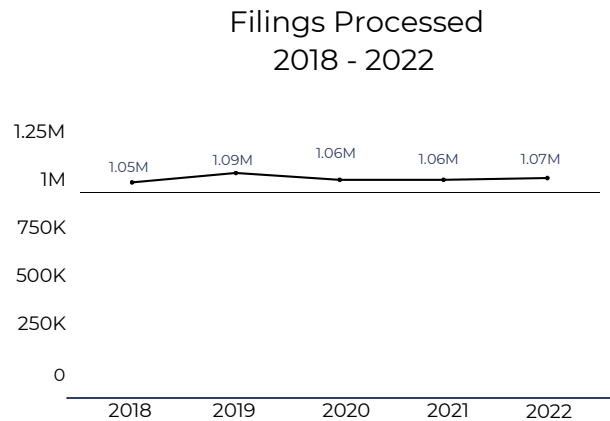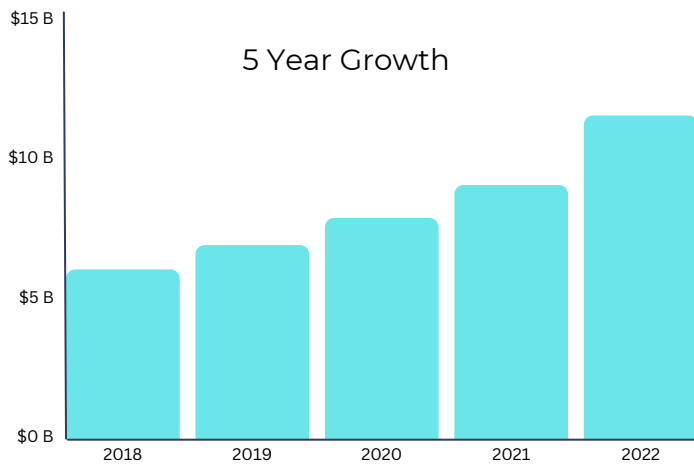
COMMERCIAL
MULTI-PERIL
$756 MILLION

CREDIT
$183 MILLION

HOMEOWNERS $324 MILLION

OTHER
$35 MILLION

TRANSACTIONS

In 2022, the Stamping Office processed 1,068,709 surplus lines insurance filings and a record $11,587,658,472 in Texas surplus lines premium, reflecting increases from the prior year of 0.8% and 27.3% respectively.

5 Year Growth

$15 B
$10 B
$5 B
$0 B
2018 2019 2020 2021 2022

Filings Processed 2018 - 2022

1.25M
1M
750K
500K
250K
0

1.05M 1.09M 1.06M 1.06M 1.07M
2018 2019 2020 2021 2022

PROPERTY POLICY PREMIUM BY COUNTY

Harris - $974M
Dallas - $517M
Tarrant - $169M
Travis - $158M
Bexar - $130M

< $250K
$250K - $500K
$500K - $1M
$1M - $2.5M
$2.5M - $5M
$5M - $10M
$10M - $50M
$50M -$100M
> $100M
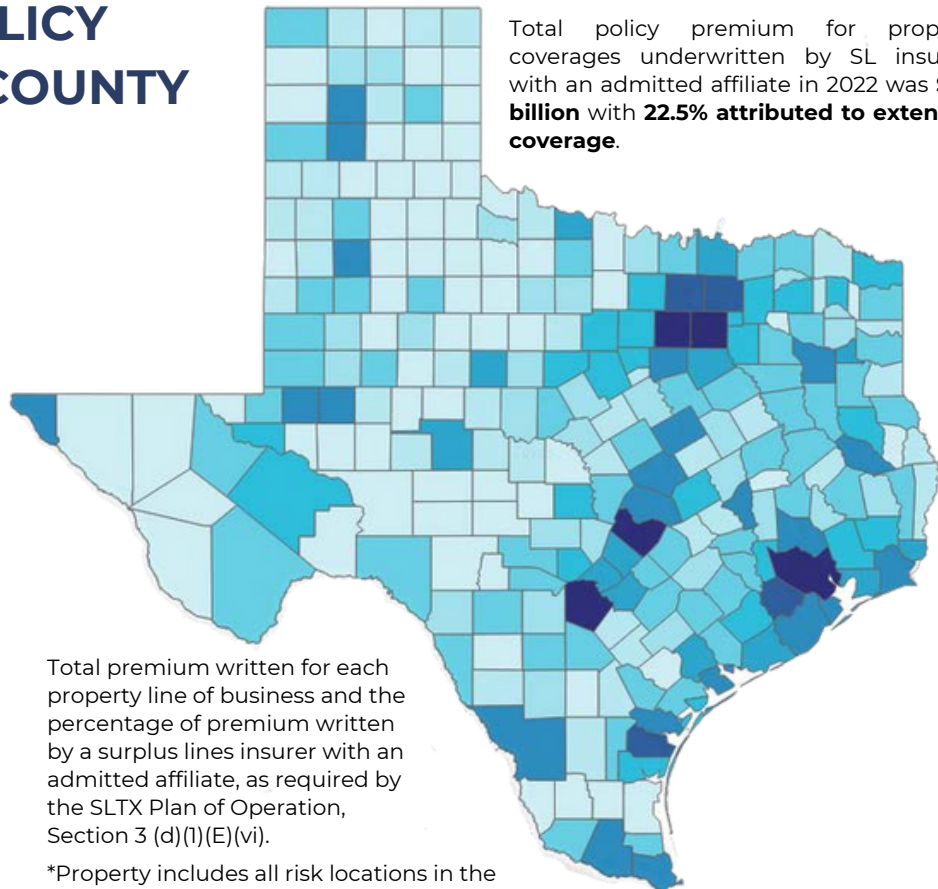
Total policy premium for property coverages underwritten by SL insurers with an admitted affiliate in 2022 was **$3.9 billion** with **22.5% attributed to extended coverage**.

Total premium written for each property line of business and the percentage of premium written by a surplus lines insurer with an admitted affiliate, as required by the SLTX Plan of Operation, Section 3 (d)(1)(E)(vi).

*Property includes all risk locations in the state and contains some packaged policies, as reported by brokers, in which liability cannot be split.

OPERATIONS

TOP TEN INSURERS

705K
POLICIES
UNDERWRITTEN BY

248
ELIGIBLE SURPLUS LINES INSURERS

Insurer	Amount
Underwriters At Lloyd's London	$1.98B
Evanston Ins. Co.	$363M
National Fire & Marine Ins. Co.	$351M
Lexington Ins. Co.	$341M
Scottsdale Ins. Co.	$307M
Landmark American INS CO	$271M
Westchester Surplus Lines Ins. Co.	$260M
Starr Surplus Lines Ins. Co.	$249M
Trisura Specialty Ins. Co.	$226M
Crum & Forster Specialty INS CO	$208M

TOP TEN BROKERS

Broker	Amount
RSG Specialty, LLC	$1.72B
CRC Insurance Services, LLC	$1.54B
AMWins Insurance Brokerage, LLC	$802M
Marsh USA Inc.	$661M
Lockton Companies, LLC	$487M
AON Risk Services Southwest, Inc	$430M
Risk Placement Services, Inc.	$289M
AMWins Brokerage of Georgia LLC	$237M
U.S. Risk, LLC	$207M
AON Risk Services Northeast, Inc	$162M

874
BROKERS REPORTED

1.07M
TOTAL TRANSACTIONS

CONDITIONS

Texas Windstorm Insurance Association

In accordance with historical requests from the Department of Insurance (TDI) and the Texas Windstorm Insurance Association (TWIA), SLTX prepares an annual report reflecting the extended coverage property premiums written in Texas by all surplus lines insurers. TWIA utilizes the report so adjustments could be made for any admitted affiliates of those surplus lines carriers, in the event that hurricane losses required assessments on its member insurers.

FINANCIALS

Investments

SLTX finances remained strong throughout 2022 due to stable operating costs, record breaking premium numbers and continued capital investments to the SMART project development. For the year 2022, total revenues exceeded expenses by $339,050, increasing the reserve fund balance by that amount. On December 31, 2022, the Stamping Office's unrestricted, undesignated reserve fund balance was $29,178,116, an amount $20,371,851 in excess of the maximum permitted in the Plan of Operation.

SLTX held assets in the form of CDs, corporate bonds, mutual funds and U.S. Treasuries. CDs are laddered Certificates of Deposit issued by various US banks, each for an amount equal to or less than the FDIC-insured threshold of $250,000, with maturities ranging from 1 month to 2 years. Corporate bonds are investment grade, have coupon rates ranging from 0.75% to 7.00% and maturities ranging from 1 month to 6 years. The United States Treasuries have maturities ranging from 0 to 3 years. Lastly, mutual funds invested in short term treasury and corporate fixed income securities are reported at fair value based upon a matrix or model pricing method.