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From: Florida Surplus Lines Service Office <publicinfo@fslso.com>
Sent: Thursday, July 23, 2020 1:15 PM
To: Kimberly R. Snavely
Subject: FSLSO e-News: OIR Proposed Rule Changes



July 23, 2020

This Week at FSLSO

OIR Proposed Changes to Insurer Requirements Following Natural Disasters

The Florida Office of Insurance Regulation recently proposed amendments to Rule 690-142.015 relating to standard requirements for insurers after hurricanes or natural disasters.



The amendments allow for electronic reporting of policy and claims data by insurers to OIR and divide the contract requirements for insurers into two sections: property and casualty, and life and health.

The rule maintains the prohibitions on non-renewals and cancellations during emergency order periods and extends time limits for emergency orders related to natural disasters that are issued by OIR.

Review the entire rule for more information.

SLIP: So Much More Than Filing

As affidavit and invoice due dates get close, remember SLIP has much more to offer than just filing information and paying invoices.

Take advantage of the *Compliance Checkup Dashboard* by clicking the tab on the right side of your SLIP screen. There you will find a plethora of useful tools that summarize your complete compliance picture.



Question Corner:

What are the rules regarding policy extensions and how long or often can they be extended before they need to be filed as a renewal?

If the policy period is being extended for 365 days or more and all original terms and conditions remain, then we ask that the additional premium endorsement be filed as a renewal transaction in SLIP. Filing a renewal for policy extensions allows the policy to be charged the appropriate tax rate, Service Office fee, and assessment rates (if applicable) for the new policy period. The insurer is not required to issue a policy renewal – this is for filing purposes only.

For example, if the original policy term is January 1, 2018, through January 1, 2019, and an endorsement is issued that extends the policy expiration to January 1, 2020, then you should file the extension endorsement as a renewal transaction in SLIP with an effective date of January 1, 2019, and an expiration date of January 1, 2020.

The only exception is when the endorsement is an extended reporting period (ERP) endorsement, also known as "tail coverage." These endorsements are typically

associated with claims-made liability policies. When submitting ERP endorsements in SLIP, please file the endorsement within the original policy term and do not extend the expiration date.

Headlines



WSIA: Surplus Lines Growth Continues Amid Pandemic

Surplus lines premium reported to the U.S. surplus lines stamping and service offices (stamping offices) in the first six months of 2020 neared \$20 billion, up 10.3% over the first six months of 2019. According to the Offices, transaction counts decreased by 60,181, or 2.6% below midyear transactions in 2019. The premium growth comes despite the ongoing pandemic, social distancing guidelines, and resulting economic conditions.

Economic Impact of Coronavirus on 2020 Specialty Insurance Market Insights, Size by Type, Key Players Analysis till 2026

There is no standard definition for specialty insurance, in this report, specialty insurance includes high-hazard insurance, non-standard general insurance, niche market segments, bespoke underwriting, and excess and surplus lines insurance.

U.S. Surplus Lines Insurance Market to Reach \$125.92 Bn by 2027 at 15.2% CAGR: Allied Market Research

Allied Market Research published a report. According to the report, the *U.S. surplus lines insurance market* garnered \$52.15 billion in 2019, and is expected to generate \$125.92 billion by 2027, witnessing a CAGR of 15.2% from 2020 to 2027.

COVID-19 Market Dislocation Creating Opportunities in Some Lines: AM Best

Coronavirus-driven market dislocation is creating attractive opportunities for insurers in some lines of business, according to AM Best.

Suspension of Florida Lawyer Accused of Causing 'Great Public Harm' Justified: Judge

A Florida judge has recommended the Florida Supreme Court deny the motion to dissolve the suspension of a Florida attorney who, with his firm, has filed thousands of assignment of benefit and first party lawsuits against Florida property insurers over the last several years.

Florida Personal Property Writers Challenged Even Without a Hurricane

Even without a major hurricane, Florida writers struggled to turn a 2019 underwriting profit, said Michelle Baurkot, director, and Chris Draghi, senior financial analyst, AM Best.

High-Tide 'Nuisance' Flooding to Continue to Grow and Plague U.S. Communities: NOAA

Coastal communities in the U.S. continued to see record-setting high-tide flooding last year, forcing their residents and visitors to deal with flooded shorelines, streets, and basements – a trend that is expected to continue into 2021.

Have questions? Contact us at 800.562.4496, option 1 or email agent.services@fslso.com.



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