

SLA CONNECTION

Surplus Lines News from the Golden State

The Surplus Line Association of California

Fall 2021

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A Double Serving

The SLA's Ugo Uche finds balance between his career and the Army

By Clifton Brown Editor-In Chief, SLA Connection

For Ugo Uche, a software engineer in the SLA's Technology Department, there is no conflict between serving his country and serving the surplus lines community.

Uche, 30, finds time to do both. Originally from Nigeria, he has taken up the uniform of his adopted country by serving in the Army.

He says he sees military service as a challenging but ultimately rewarding experience that brings out his best.

Part of his service involves taking leave to train or deploy with his unit, which is based in Vallejo. The SLA is pleased and proud to accommodate his service.

"The SLA has been supportive in so many ways," Uche said. "They not only approved a military leave of absence, but have also constantly encouraged me throughout the journey."

Earlier this year, Uche deployed for five months for combat and individual training in Fort Jackson, South Carolina, and Fort Leonard Wood, Missouri, respectively. The individual training in Missouri focused on his assigned role as an Army engineer.

Serving in the Army is Uche's way of giving back to his country and also finding a way to contribute to be a part of something bigger than himself.

"I joined the Army to make a difference and be part of a higher purpose," Uche said.



Ugo Uche

His choice to serve in the military also runs in the family, with both an uncle and a cousin serving in the Army as well. He says he has always found tremendous personal fulfillment in his military service.

"It's the most exciting, fun and mutually beneficial way for me to serve," Uche said. He added that he hopes to continue his military service for a long time.

Although Uche's colleagues at the SLA missed him and his contributions during his recent deployment, the association didn't begrudge him his choice to serve. In fact, it was totally the opposite, which Uche said he appreciated.

"We take great pride in the fact that one of our team members has chosen to serve our country in this way," said Benjamin McKay, the SLA's CEO and Executive Director. "Ugo and his many comrades in arms keep us safe and free, and we strongly support him taking the time he needs to serve our country while also doing an excellent job for us in his role as software engineer. We will continue to support him in his endeavors going forward. And we're very glad to have him back with us at the SLA after finishing his deployment."

Uche is also glad to be back in his role at the SLA while still training monthly with his unit in Vallejo.

"I'm super excited to be back," Uche said.

SLA Staff Kicks off IICF Week of Giving Event By Volunteering at Oakland Food Bank



Once again, SLA staff took part in the Insurance Industry Charitable Foundation's annual Week of Giving, which calls upon individuals working in the insurance industry to give back to their communities. From working at the Alameda County Food Bank in Oakland, to helping with the upkeep of public parks and hand-writing letters to members of the armed services, the SLA team participated wholeheartedly in this annual tradition.

The SLA is proud to support the IICF in this very worthwhile endeavor every October.



Top 50 Brokers by Group

Based on Premium Processed by the SLA January Through September 2021¹

Rank	Broker Group	PREMIUM REGISTERED	% of Total	Total Transactions
1	AON P.L.C.	\$1,554,940,013	16.17%	3,458
2	AMWINS GROUP INC.	\$1,222,157,173	12.71%	61,613
3	R-T SPECIALTY, LLC	\$1,152,511,119	11.98%	48,118
4	CRC	\$769,027,333	8.00%	34,553
5	ARTHUR J. GALLAGHER & CO.	\$514,342,571	5.35%	17,565
6	WOODRUFF-SAWYER & CO.	\$282,676,406	2.94%	1,976
7	BROWN & RIDING INSURANCE SERVICES, INC.	\$268,611,493	2.79%	11,264
8	WORLDWIDE FACILITIES, LLC	\$268,255,609	2.79%	15,367
9	MARSH & MCLENNAN COS. INC.	\$206,136,469	2.14%	1,360
10	WILLIS TOWERS WATSON P.L.C.	\$197,334,466	2.05%	1,317
11	LOCKTON INC.	\$195,270,690	2.03%	6,966
12	NATIONAL TRANSPORTATION ASSOCIATES, INC.	\$174,084,596	1.81%	17,701
13	BURNS & WILCOX	\$170,160,263	1.77%	34,004
14	CROUSE & ASSOCIATES INSURANCE SERVICES	\$161,586,278	1.68%	11,475
15	ALLIANT INSURANCE SERVICES INC.	\$124,383,492	1.29%	1,118
16	SOCIUS INSURANCE SERVICES, INC.	\$94,944,235	0.99%	6,129
17	HUB INTERNATIONAL LTD.	\$74,238,494	0.77%	1,443
18	WHOLESALE TRADING INSURANCE SVCS (JENCAP HOLDINGS)	\$70,293,429	0.73%	1,559
19	EDGEWOOD PARTNERS INSURANCE CENTER, DBA EPIC INSUR	\$64,462,371	0.67%	981
20	BROWN & BROWN INC.	\$64,237,861	0.67%	4,011
21	SPECIALTY PROGRAM GROUP	\$57,406,138	0.60%	16,480
22	HULL & COMPANY, INC.	\$57,342,382	0.60%	11,417
23	TrackSure Insurance Agency, Inc.	\$54,806,925	0.57%	495
24	GORST & COMPASS INSURANCE	\$51,804,493	0.54%	14,712
25	R.E. CHAIX & ASSOCIATES INSURANCE BROKERS, INC.	\$42,461,445	0.44%	11,936
26	CRC INSURANCE SERVICES, INC.	\$37,415,445	0.39%	10,025
27	BASS UNDERWRITERS	\$36,350,329	0.38%	13,400
28	USI INSURANCE SERVICES L.L.C.	\$33,074,575	0.34%	489
29	RISK SPECIALISTS COMPANIES INSURANCE AGENCY, INC.	\$32,497,574	0.34%	932
30	COBBS ALLEN CAPITAL, LLC	\$31,822,097	0.33%	136
31	M.J. HALL & CO., INC.	\$31,068,656	0.32%	7,423
32	COOPER & MCCLOSKEY, INC. INSURANCE BROKERS	\$29,532,668	0.31%	2,632
33	COASTAL BROKERS INSURANCE SERVICES INC.	\$26,587,533	0.28%	6,632
34	BB&T INSURANCE HOLDINGS INC.	\$26,314,592	0.27%	116
35	MCGRUFF, SEIBELS & WILLIAMS, INC.	\$25,128,984	0.26%	167
36	WESTERN SECURITY SURPLUS INSURANCE BROKERS, INC.	\$24,793,649	0.26%	6,356
37	ABD INSURANCE & FINANCIAL SERVICES INC.	\$24,327,071	0.25%	169
38	EVOLUTION INSURANCE BROKERS, LC	\$24,127,969	0.25%	2,336
39	CSU PRODUCER RESOURCES, INC.	\$22,953,639	0.24%	540
40	USG INSURANCE SERVICES, INC.	\$22,770,818	0.24%	5,649
41	RISK STRATEGIES CO. INC.	\$22,765,045	0.24%	476
42	AMERICAN TEAM MANAGERS, INC.	\$21,916,196	0.23%	3,293
43	NFP	\$21,264,643	0.22%	432
44	CANON INSURANCE SERVICE	\$20,225,343	0.21%	577
45	PETERSEN INTERNATIONAL UNDERWRITERS	\$20,156,609	0.21%	2,143
46	SCOTTISH AMERICAN INSURANCE	\$19,249,324	0.20%	4,160
47	RSI INSURANCE BROKERS, INC	\$19,068,960	0.20%	1,317
48	VENBROOK GROUP LLC	\$18,739,718	0.19%	972
49	THE IMA FINANCIAL GROUP INC.	\$18,552,224	0.19%	286
50	CANNGEN INSURANCE SERVICES, LLC	\$18,121,386	0.19%	2,240
Subtotal Top 50		\$8,522,300,787	88.61%	409,916
All Other Brokers		\$1,095,105,991	11.39%	182,589
Grand Total		\$9,617,406,779	100%	592,505

¹ Premium Processed represents the total premium processed by the SLA for each group member for the entire time period specified.

Top Carriers by Ultimate Parent

Based on Premium Processed by the SLA January Through September 2021¹

ULTIMATE PARENT	COMPANY	PREMIUM REGISTERED	% OF TOTAL
LLOYD'S	LLOYD'S OF LONDON ²	\$1,516,063,956	15.82%
LLOYD'S TOTAL		\$1,516,063,956	15.82%
BERKSHIRE HATHAWAY INC.	MOUNT VERNON FIRE INSURANCE COMPANY	\$15,034,016	0.16%
	GENERAL STAR INDEMNITY COMPANY	\$42,849,052	0.45%
	NATIONAL FIRE & MARINE INSURANCE COMPANY	\$764,357,877	7.97%
	OTHER AFFILIATES WITH PREMIUM <\$7.5M	\$12,586,599	0.13%
BERKSHIRE HATHAWAY INC. TOTAL		\$834,827,544	8.71%
MARKEL CORPORATION	MARKEL INTERNATIONAL INSURANCE COMPANY LIMITED	\$10,013,256	0.10%
	EVANSTON INSURANCE COMPANY	\$216,827,608	2.26%
	UNITED SPECIALTY INSURANCE COMPANY	\$303,505,453	3.17%
	OTHER AFFILIATES WITH PREMIUM <\$7.5M	\$7,042,920	0.07%
MARKEL CORPORATION TOTAL		\$537,389,236	5.61%
AMERICAN INTERNATIONAL GROUP, INC.	AMERICAN INTERNATIONAL GROUP UK LIMITED	\$9,527,118	0.10%
	WESTERN WORLD INSURANCE COMPANY	\$35,386,413	0.37%
	AIG SPECIALTY INSURANCE COMPANY	\$113,453,356	1.18%
	LEXINGTON INSURANCE COMPANY	\$264,569,828	2.76%
	OTHER AFFILIATES WITH PREMIUM <\$7.5M	\$229,280	0.00%
AMERICAN INTERNATIONAL GROUP, INC. TOTAL		\$423,165,996	4.42%
NATIONWIDE MUTUAL INSURANCE COMPANY	SCOTTSDALE INSURANCE COMPANY	\$413,024,026	4.31%
	OTHER AFFILIATES WITH PREMIUM <\$7.5M	\$23,451	0.00%
NATIONWIDE MUTUAL INSURANCE COMPANY TOTAL		\$413,047,477	4.31%
FAIRFAX FINANCIAL HOLDINGS LIMITED	FIRST MERCURY INSURANCE COMPANY	\$8,363,510	0.09%
	SENECA SPECIALTY INSURANCE COMPANY	\$12,118,059	0.13%
	HILLTOP SPECIALTY INSURANCE COMPANY	\$19,285,093	0.20%
	HUDSON EXCESS INSURANCE COMPANY	\$71,196,173	0.74%
	ALLIED WORLD NATIONAL ASSURANCE COMPANY	\$82,213,989	0.86%
	ALLIED WORLD SURPLUS LINES INSURANCE COMPANY	\$84,036,701	0.88%
	CRUM & FORSTER SPECIALTY INSURANCE COMPANY	\$98,114,069	1.02%
FAIRFAX FINANCIAL HOLDINGS LIMITED TOTAL		\$375,327,594	3.92%
W. R. BERKLEY CORPORATION	BERKLEY ASSURANCE COMPANY	\$27,176,990	0.28%
	NAUTILUS INSURANCE COMPANY	\$56,475,356	0.59%
	GEMINI INSURANCE COMPANY	\$92,216,667	0.96%
	ADMIRAL INSURANCE COMPANY	\$112,662,119	1.18%
	OTHER AFFILIATES WITH PREMIUM <\$7.5M	\$5,697,969	0.06%
W. R. BERKLEY CORPORATION TOTAL		\$294,229,101	3.07%
CHUBB LIMITED	CHUBB EUROPEAN GROUP SE	\$12,601,627	0.13%
	CHUBB CUSTOM INSURANCE COMPANY	\$35,883,929	0.37%
	ILLINOIS UNION INSURANCE COMPANY	\$73,033,345	0.76%
	WESTCHESTER SURPLUS LINES INSURANCE COMPANY	\$140,997,775	1.47%
	OTHER AFFILIATES WITH PREMIUM <\$7.5M	\$10,913	-
CHUBB LIMITED TOTAL		\$262,527,589	2.74%
PROGRESSIVE CORPORATION	BLUE HILL SPECIALTY INSURANCE COMPANY INC.	\$221,604,049	2.79%
	OTHER AFFILIATES WITH PREMIUM <\$7.5M	\$67,877	0.00%
PROGRESSIVE CORPORATION TOTAL		\$221,671,926	2.79%
SOMPO HOLDINGS, INC.	ENDURANCE WORLDWIDE INSURANCE LIMITED	\$19,094,314	0.20%
	ENDURANCE AMERICAN SPECIALTY INSURANCE COMPANY	\$198,647,501	2.07%
	OTHER AFFILIATES WITH PREMIUM <\$7.5M	\$285,379	0.01%
SOMPO HOLDINGS, INC. TOTAL		\$218,027,194	2.28%
AXA SA	XL CATLIN INSURANCE COMPANY UK LIMITED	\$17,324,745	0.18%
	INDIAN HARBOR INSURANCE COMPANY	\$189,256,216	1.97%
	OTHER AFFILIATES WITH PREMIUM <\$7.5M	\$897,730	0.01%
AXA SA TOTAL		\$207,478,691	2.16%

Top Carriers by Ultimate Parent Continued

ULTIMATE PARENT	COMPANY	PREMIUM REGISTERED	% OF TOTAL
ALLEGHANY CORPORATION	FAIR AMERICAN SELECT INSURANCE COMPANY	\$9,505,549	0.10%
	CAPITOL SPECIALTY INSURANCE CORPORATION	\$36,981,724	0.39%
	LANDMARK AMERICAN INSURANCE COMPANY	\$147,238,917	1.54%
	OTHER AFFILIATES WITH PREMIUM <\$7.5M	\$7,028,389	0.07%
ALLEGHANY CORPORATION TOTAL		\$200,754,578	2.09%
LIBERTY MUTUAL HOLDING COMPANY INC.	LIBERTY MUTUAL INSURANCE EUROPE SE	\$11,335,993	0.12%
	LIBERTY SURPLUS INSURANCE CORPORATION	\$76,283,651	0.80%
	IRONSHORE SPECIALTY INSURANCE COMPANY	\$111,364,438	1.16%
	OTHER AFFILIATES WITH PREMIUM <\$7.5M	\$534,312	0.01%
LIBERTY MUTUAL HOLDING COMPANY INC. TOTAL		\$199,518,395	2.08%
TOKIO MARINE HOLDINGS, INC.	SAFETY SPECIALTY INSURANCE COMPANY	\$11,964,066	0.12%
	TOKIO MARINE SPECIALTY INSURANCE COMPANY	\$31,941,758	0.33%
	HOUSTON CASUALTY COMPANY	\$144,345,687	1.51%
	OTHER AFFILIATES WITH PREMIUM <\$7.5M	\$282,894	0.00%
TOKIO MARINE HOLDINGS, INC. TOTAL		\$188,534,404	1.97%
MUNCHENER RUCKVERSICHERUNG AG	HSB SPECIALTY INSURANCE COMPANY	\$9,988,709	0.10%
	GREAT LAKES INSURANCE SE	\$82,483,222	0.86%
	PRINCETON EXCESS AND SURPLUS LINES INSURANCE COMPANY	\$85,878,502	0.90%
	OTHER AFFILIATES WITH PREMIUM <\$7.5M	\$98,400	0.00%
MUNCHENER RUCKVERSICHERUNG AG TOTAL		\$178,448,833	1.86%
QBE INSURANCE GROUP LIMITED	QBE SPECIALTY INSURANCE COMPANY	\$146,011,682	1.52%
	OTHER AFFILIATES WITH PREMIUM <\$7.5M	\$5,489,726	0.06%
QBE INSURANCE GROUP LIMITED TOTAL		\$151,501,408	1.58%
ARGO GROUP INTERNATIONAL HOLDINGS, LIMITED	PELEUS INSURANCE COMPANY	\$38,608,099	0.40%
	COLONY INSURANCE COMPANY	\$97,513,746	1.02%
	OTHER AFFILIATES WITH PREMIUM <\$7.5M	\$1,483,839	0.02%
ARGO GROUP INTERNATIONAL HOLDINGS, LIMITED TOTAL		\$137,605,684	1.44%
EVERGREEN PARENT, L.P.	ASSOCIATED INDUSTRIES INSURANCE COMPANY, INC.	\$130,614,035	1.36%
	OTHER AFFILIATES WITH PREMIUM <\$7.5M	\$3,419,043	0.04%
EVERGREEN PARENT, L.P. TOTAL		\$134,033,078	1.40%
AMERICAN FINANCIAL GROUP, INC.	GREAT AMERICAN FIDELITY INSURANCE COMPANY	\$8,020,724	0.08%
	AMERICAN EMPIRE SURPLUS LINES INSURANCE COMPANY	\$14,119,889	0.15%
	GREAT AMERICAN E&S INSURANCE COMPANY	\$110,318,780	1.15%
AMERICAN FINANCIAL GROUP, INC. TOTAL		\$132,459,392	1.38%
EVEREST RE GROUP, LIMITED.	EVEREST INDEMNITY INSURANCE COMPANY	\$131,489,115	1.37%
	OTHER AFFILIATES WITH PREMIUM <\$7.5M	\$325,491	0.01%
EVEREST RE GROUP, LIMITED TOTAL		\$131,814,606	1.38%
ZURICH INSURANCE GROUP LIMITED	ZURICH INSURANCE PLC	\$7,412,393	0.08%
	STEADFAST INSURANCE COMPANY	\$111,681,909	1.17%
	OTHER AFFILIATES WITH PREMIUM <\$7.5M	\$11,213,649	0.12%
ZURICH INSURANCE GROUP LIMITED. TOTAL		\$130,307,951	1.36%
JAMES RIVER GROUP HOLDINGS, LIMITED	FALLS LAKE NATIONAL INSURANCE COMPANY	\$23,621,721	0.25%
	JAMES RIVER INSURANCE COMPANY	\$97,536,532	1.02%
JAMES RIVER GROUP HOLDINGS, LIMITED TOTAL		\$121,158,254	1.26%
Ultimate Parents with Premiums. >=\$120M		\$7,171,992,768	74.57%
All Other Groups with Premium Processed <\$120M		\$2,398,758,345	24.94%
Premium Grand Total		\$9,570,751,114	99.51%
Taxable Fees		\$46,655,665	0.49%
Premium and Taxable Fees Total		\$9,617,406,779	100%

¹ Premium Registered represents the total premium registered (premium only) by the SLA for each group member for the entire time period specified. Unknown insurers are not included in the premium total.

² Refer to the following page for a breakdown of Lloyd's Syndicates with premium registered ≥\$7.5M

Top Lloyd's Syndicates In California With Managing Agent

Based on Premium Processed by the SLA January Through September 2021¹

LLOYD'S	PREMIUM REGISTERED	% OF TOTAL
LLOYD'S SYNDICATE 2623 (BEAZLEY FURLONGE LIMITED)	\$226,589,195	14.95%
LLOYD'S SYNDICATE 2987 (BRIT SYNDICATES LIMITED)	\$95,680,060	6.31%
LLOYD'S SYNDICATE 33 (HISCOX SYNDICATES LIMITED)	\$92,472,548	6.10%
LLOYD'S SYNDICATE 1458 (RENAISSANCERE SYNDICATE MANAGEMENT LIMITED)	\$61,966,329	4.09%
LLOYD'S SYNDICATE 510 (TOKIO MARINE KILN SYNDICATES LIMITED)	\$60,376,136	3.98%
LLOYD'S SYNDICATE 3624 (HISCOX SYNDICATES LIMITED)	\$58,803,715	3.88%
LLOYD'S SYNDICATE 623 (BEAZLEY FURLONGE LIMITED)	\$50,234,011	3.31%
LLOYD'S SYNDICATE 4444 (CANOPIUS MANAGING AGENTS LIMITED)	\$40,899,191	2.70%
LLOYD'S SYNDICATE 1969 (APOLLO SYNDICATE MANAGEMENT LIMITED)	\$37,627,319	2.48%
LLOYD'S SYNDICATE 2001 (MS AMLIN UNDERWRITING LIMITED)	\$34,648,000	2.29%
LLOYD'S SYNDICATE 1414 (ASCOT UNDERWRITING LIMITED)	\$33,535,956	2.21%
LLOYD'S SYNDICATE 1084 (CHAUCER SYNDICATES LIMITED)	\$32,744,926	2.16%
LLOYD'S SYNDICATE 1686 (AXIS MANAGING AGENCY LIMITED.)	\$31,706,865	2.09%
LLOYD'S SYNDICATE 2121 (ARGENTA SYNDICATE MANAGEMENT LIMITED)	\$31,159,231	2.06%
LLOYD'S SYNDICATE 2488 (CHUBB UNDERWRITING AGENCIES LIMITED)	\$30,880,277	2.04%
LLOYD'S SYNDICATE 1225 (AEGIS MANAGING AGENCY LIMITED)	\$27,969,103	1.84%
LLOYD'S SYNDICATE 457 (MUNICH RE SYNDICATE LIMITED)	\$26,771,592	1.77%
LLOYD'S SYNDICATE 1861 (CANOPIUS MANAGING AGENTS LIMITED)	\$26,293,283	1.73%
LLOYD'S SYNDICATE 2003 (CATLIN UNDERWRITING AGENCIES LIMITED)	\$25,335,875	1.67%
LLOYD'S SYNDICATE 609 (ATRIUM UNDERWRITERS LIMITED)	\$25,264,258	1.67%
LLOYD'S SYNDICATE 1183 (TALBOT UNDERWRITING LIMITED)	\$23,331,826	1.54%
LLOYD'S SYNDICATE 1886 (QBE UNDERWRITING LIMITED)	\$22,952,525	1.51%
LLOYD'S SYNDICATE 4472 (LIBERTY MANAGING AGENCY LIMITED)	\$22,864,624	1.51%
LLOYD'S SYNDICATE 1880 (TOKIO MARINE KILN SYNDICATES LIMITED)	\$22,412,571	1.48%
LLOYD'S SYNDICATE 1200 (ARGO MANAGING AGENCY LIMITED)	\$19,782,539	1.30%
LLOYD'S SYNDICATE 435 (FARADAY UNDERWRITING LIMITED)	\$16,732,477	1.10%
LLOYD'S SYNDICATE 4711 (ASPEN MANAGING AGENCY LIMITED)	\$16,167,837	1.07%
LLOYD'S SYNDICATE 4000 (HAMILTON MANAGING AGENCY LIMITED)	\$14,511,865	0.96%
LLOYD'S SYNDICATE 4020 (ARK SYNDICATE MANAGEMENT LIMITED)	\$14,244,225	0.94%
LLOYD'S SYNDICATE 1729 (ASTA MANAGING AGENCY LIMITED)	\$12,319,743	0.81%
LLOYD'S SYNDICATE 1274 (ANTARES MANAGING AGENCY LIMITED)	\$11,623,058	0.77%
LLOYD'S SYNDICATE 1967 (W. R. BERKLEY SYNDICATE MANAGEMENT LIMITED)	\$11,384,602	0.75%
LLOYD'S SYNDICATE 318 (CINCINNATI GLOBAL UNDERWRITING AGENCY LIMITED)	\$10,858,375	0.72%
LLOYD'S SYNDICATE 4242 (ASTA MANAGING AGENCY LIMITED)	\$10,671,826	0.70%
LLOYD'S SYNDICATE 2791 (MANAGING AGENCY PARTNERS LIMITED)	\$10,469,537	0.69%
LLOYD'S SYNDICATE 1301 (STARSTONE UNDERWRITING LIMITED)	\$9,928,367	0.65%
LLOYD'S SYNDICATE 1919 (STARR MANAGING AGENTS LIMITED)	\$9,925,316	0.65%
LLOYD'S SYNDICATE 5000 (TRAVELERS SYNDICATE MANAGEMENT LIMITED)	\$9,746,887	0.64%
LLOYD'S SYNDICATE 2015 (THE CHANNEL MANAGING AGENCY LIMITED)	\$9,469,398	0.62%
LLOYD'S SYNDICATE 382 (HARDY (UNDERWRITING AGENCIES) LIMITED)	\$9,416,057	0.62%
LLOYD'S SYNDICATE 2988 (BRIT SYNDICATES LIMITED)	\$8,202,240	0.54%
LLOYD'S SYNDICATE 3623 (BEAZLEY FURLONGE LIMITED)	\$8,099,537	0.53%
LLOYD'S SYNDICATE 3000 (MARKEL SYNDICATE MANAGEMENT LIMITED)	\$7,842,380	0.52%
LLOYD'S SYNDICATE 1856 (ARCH MANAGING AGENCY LIMITED)	\$7,805,677	0.51%
LLOYD'S SYNDICATE 1955 (ARCH MANAGING AGENCY LIMITED)	\$7,769,337	0.51%
LLOYD'S SYNDICATE 1991 (COVERYS MANAGING AGENCY LIMITED)	\$7,616,997	0.50%
All Other Syndicates With Premium Processed <\$7.5m ²	\$128,956,263	8.51%
Lloyd's Total	\$1,516,063,956	100.00%

¹ Premium represents the total premium registered (premium only) by the SLA for each group member for the entire time period specified.

² Other includes Lloyd's premium registered with a missing or invalid syndicate number

Slow Year For Insurance Legislation, But More Action Expected In Sacramento In 2022



By Benjamin J. McKay
SLA CEO and Executive Director

Four bills came forward in the California State Legislature in 2021 that were of keen interest to our industry, but none of them made it to Governor Gavin Newsom's desk.

However, it is quite likely that some or all of them will be back in 2022, and one of them proved to be the precursor to a challenge to the incumbent insurance commissioner, which will be a closely watched race in next year's elections.

Toward the end of the session, Assembly Member Marc Levine, a Democrat from Marin County, introduced legislation requiring insurers to offer catastrophic wildfire coverage statewide while creating a state-managed fund to pay losses in excess of \$100 million in a year. It came too late in the legislative session to move forward this year, but it did prove to be the jumping-off point for Levine's challenge, announced September 21, to Commissioner Ricardo Lara, also a Democrat.

For his part, the commissioner has consistently enforced the state law empowering the commissioner to block insurers from canceling or nonrenewing policies for one year in ZIP codes affected by wildfires.

Another bill that came forward in 2021 that was of interest to our industry was legislation to resolve the conundrum in state law regarding workers' compensation coverage for domestic employees in surplus lines homeowners' policies. The Wholesale

and Specialty Insurance Association (WSIA) sponsored the bill, which sought to resolve a conflict in which Insurance Code Section 11590 requires homeowners policies to include workers compensation, but Labor Code Section 3700 requires such coverage to be written by admitted insurers. The bill failed to get enough support to come up for a vote, and it remains to be seen if the topic

We should know very soon which of these bills are coming up again. The legislature convenes on January 3, and new bills need to be introduced by February 18. The committee process in each house concludes by May 20, and all bills have to pass their house of origin by May 27 in order to stay alive and move on to the other chamber.

"We will continue to monitor any of this legislation that comes to the fore again next year, as well as any new bills that might impact our industry, and keep our members informed all along."

will be brought up again in 2022.

A third bill, which is expected to come up again in 2022, would have required providers of shared mobility services, such as rental scooters, to obtain commercial general liability (CGL) coverage. This bill came to the attention of the SLA because it originally would have limited such coverage to admitted insurers, inadvertently excluding the surplus lines market and likely making compliance impossible.

The SLA's Clifton Brown, vice president for Public Affairs, explained the unintended consequences to the staff of the bill's author, Assembly Member Reginald Jones-Sawyer. They amended the bill to allow surplus line insurers to underwrite these policies. The bill passed the Assembly, but ran into resistance and was pulled shortly before it was scheduled to be considered by the State Senate Insurance Committee. We understand that it is now a two-year bill and is likely to be brought back up, possibly with some revisions, in the coming year.

And for the second straight year, businesses seeking to do an end-run around virus exclusions within business interruption policies secured the introduction of a bill that would, for all practical intents and purposes, circumvent those exclusions. The bill's author, Assembly Member James Ramos, was unable to secure enough support for the legislation and the bill was pulled.

With 2022 being an election year, all bills must pass both chambers by August 31. The governor has until September 30 to sign or veto all bills the legislature passes. The legislative calendar is shorter in even-numbered years so that legislators have the chance to go out and campaign after Labor Day.

We will continue to monitor any of this legislation that comes to the fore again next year, as well as any new bills that might impact our industry, and keep our members informed all along.



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Chair's Corner

Resilience Has Been the Key For the SLA's Success During Global Pandemic

By Terri Moran

Chair, SLA Board of Directors

With only a few days left in 2021, my term as chair of the SLA Board of Directors is nearing its final chapter. It is mind-boggling how quickly that nearly two years have passed! It is also amazing how much of this time has been consumed by the realities of a global pandemic which even now is still ongoing.

I will admit I would not have chosen the circumstances that have permeated my term as chair, but the resilience and creativity shown by the SLA, its senior leadership, and the Board of Directors have been wonderful to see. The silver lining to the dark cloud of a pandemic, and the full or partial shutdowns that have ensued, is that it allowed us to get back to basics and retool.

Our guiding principle during these unusual times has been "Employees First." In order to serve the California surplus lines community and ensure a healthy, fair and competitive marketplace, it was essential for the SLA to ensure a healthy, happy workforce. We did some very serious thinking about what it meant to put employees first, and it was not just about employee wellness and engagement—though both were critical, and we created successful initiatives in both areas—but also about keeping our budget flat and cutting out non-essentials in the event that the pandemic led to a market downturn.

We had already anticipated the potential for an economic downturn and had made moves to pay off long-term debts, such as our pension fund and a construction loan. While there was a brief economic retrenchment, the surplus lines marketplace continued to grow, and as a result, we are now in a position to boost our contingency funds and be ready for a "rainy day."

Beyond caring for our employees, we also had to think about how to serve members during these unusual times. We had already been planning to make our CE courses available online, and the inability to hold in-person events due to the pandemic provided added impetus



to move forward with our live webinars and on-demand courses. These have been very successful, with attendance often far outstripping what we used to get for in-person courses.

The resilience and stability of our staff helped us continue to serve our members well, whether through online CE courses or continuing to analyze upwards of 800,000 transactions a year.

We also continued to keep our focus on modernizing and ensuring that we are moving in tandem with our broader society. That is why we have embarked on a Diversity, Equity and Inclusion (DEI) initiative. One of the important items on our list is to ensure that our board more closely mirrors our membership and community at large and also to encourage greater diversity, equity and inclusion within our overall community.

So although the pandemic created conditions that were less than ideal, we were able to roll with the punches and develop initiatives and resources that will serve us well into the future.

I want to give well-deserved credit to Ben McKay and his entire SLA team for showing us all how to persevere and get through a crisis.

It has been my privilege and honor to serve as chair during this time, and I look forward to continuing to serve, both for the rest of my term and as I transition to past chair in February.