

# SLA CONNECTION

Surplus Lines News from the Golden State

The Surplus Line Association of California

Spring 2016

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## In The Driver's Seat

*Motor City native Chris Houska takes the wheel as new SLA chair*

**By Cliston Brown Editor-In Chief, SLA Connection**

**D**espite all the troubles it has faced in recent years, Detroit has traditionally been identified with thinking down the road.

Whether it was **Henry Ford** having the foresight to pay his workers enough money that they could afford to buy the cars they built, or **Berry Gordy** keeping his ear to the ground and creating the Motown sound, at its best, the Motor City has always been ahead of the curve, innovative, and focused on the future.

Detroit native **Chris Houska**, recently elected as the new chair of the SLA's Board of Directors, brings that can-do, future-focused style to his new post, to which he ascended in February after his formal election at the SLA Annual Meeting. Now that he is in the driver's seat of a sleek, new-model SLA that's clicking on all cylinders, Houska is ready to hit the gas.

"What [Executive Director] **Ben McKay**, [Chief Operating Officer] **Joy Erven** and the SLA staff have done has streamlined it, and the work over the last few years has made it very efficient and a great asset to the surplus lines community," Houska said. "The SLA is not just an organization that collects stamping fees. It has become an association that interacts well with the Department of Insurance and works proactively to serve its members. My predecessor as chair, **Denis Brady**, built upon that foundation, and now, with the experienced staff in various departments,



**Chris Houska**

it runs itself well and is doing a great job. We don't have to look over its shoulder."

Houska's trust in the SLA staff means that he and the Board of Directors can focus outwardly rather than inwardly, and for Houska, that means devoting his year as chair toward building the industry's future.

"I want to focus now on using some of our funding where I feel it is most needed in California: outreach programs to millennials," Houska said.

This goal is in line with a recent push by the Board of Directors and other involved members of the broker community to reach out to young people. With a significant number of California surplus lines professionals in the later stages of their careers, the future of the industry depends on bringing in a young and diverse group of professionals, and combatting the industry's "pale, male and stale" image, as one prominent California broker sagely put it.

While the SLA and its Education and Compliance Committee have already begun significant outreach efforts to colleges and universities in California and the west generally, Houska wants to add some horsepower to that effort.

"I want to lobby various committees to greatly increase our contributions to colleges and universities that have specialty programs in insurance and risk management, increase our pres-

**Story continues on Page 2**



## In The Driver's Seat

ence at job fairs, and at every level to get the word out," Houska said.

This big push is needed because older, tried and true ways of getting new people into the industry are not as successful as they once were. As older surplus line professionals head toward retirement, there are fewer and fewer young people waiting to take their place.

"In the past, insurance carriers played a huge role in getting new, young professionals into the industry," Houska said. "Starting on the un-

derwriting side, they would migrate to the retail side and the wholesale broker side. For various reasons, these pipelines either no longer exist or are limited, as carriers have more limited programs. We at the SLA have to fill that gap."

One way the SLA can fill the gap is to be involved with colleges and universities through

existing insurance and risk management programs, or at business schools generally.

Houska, for his part, has recently established a relationship with the University of Southern California's Marshall School of

*"I want to focus now on using some of our funding where I feel it is most needed in California: the outreach programs to millennials. I want to lobby various committees to greatly increase our contributions to colleges and universities that have specialty programs in insurance and risk management, increase our presence at job fairs, and at every level to get the word out."*

Business to create a new risk management program. He wants to encourage students to investigate the many different aspects of insurance, and to identify students ripe for recruitment into sales, underwriting and risk management. To this end, he envisions an even greater investment of time, effort and resources by the

## Continued from Page 1

SLA in the coming year and going forward into the future.

"I think the SLA should be responsible for identifying future brokers in our industry," Houska said. "In our industry, it is important to hire great young talent in underwriting and on the retail side. The goal is to fund a program to develop candidates for all aspects of the surplus lines business in California."

Houska's chief motivation, in the present day and going forward, is to give something back to an industry that has given much to him.

"When **John Edack** called me about getting involved with the Board, I was at first reluctant, but it has been a great experience," Houska said. "I've gotten a lot out of it and hope to put more into it. It's been a great learning experience. It has made me pause and start thinking about giving back. The SLA has come so far from when I joined the Board five years ago. The change has been dramatic, and it gives us an opportunity to reach out and show our industry the benefits it provides to them and their companies."

# SLA Resident Members Elect 2016 Board

Ciardello, Gilbert Become Vice Chairman, Secretary-Treasurer of the SLA Board of Directors

In addition to electing **Chris Houska** the new chair of the Board of Directors for 2016, resident members of the Surplus Line Association of California (SLA) also elected the vice chair, secretary-treasurer and 10 more board members for the year.

**Tom Ciardello**, senior executive vice president and manager of Worldwide Facilities, LLC is the board's new vice-chair, and **Bob Gilbert**, director of underwriting and production for Markel West Insurance Services, is the new secretary-treasurer.

Ciardello served as secretary-treasurer in 2015, and Gilbert served as a board member last year.

Finally, voters confirmed **Denis Brady** of Burns & Wilcox Brokerage, the 2015 chairman, as a board member for 2016, and



**Tom Ciardello**

retained nine other members from the 2015 board in their positions:

- **Janet Beaver**, HCC Casualty Insurance Services
- **Ian Fitt**, Catalytic Holdings, LLC
- **Rupert Hall**, M.J. Hall & Company, Inc.
- **Chris Kiley**, AMWINS
- **Davis Moore**, Worldwide Facilities, Inc.
- **Terri Moran**, Vela Insurance Services
- **Pam Quilici**, Crouse & Associates Insurance Services of Northern California, Inc.
- **Les Ross**, Wholesale Trading Co-Op Insurance Services, Inc.
- **Jerry Sullivan**, The Sullivan Group

All members of the board serve until the 2017 Annual Meeting, at which time a new election for the board and officers will take place.

The Annual Meeting in February 2017, in San Francisco and Los Angeles, provides an opportunity for authorized voting



**Bob Gilbert**

representatives to vote on the new board and officers at that time. The SLA constitution requires one-third of all resident members who filed an SL-1 or SL-2 form in the preceding 12 months to vote in order to constitute a quorum.

If a quorum is not reached during the regular meeting, SLA must solicit the necessary votes online or by telephone, a process which can take several weeks to conclude.

The SLA urges all authorized voting representatives of resident members filing business in 2016 to attend next year's meeting, which is not only an opportunity to elect the new board but to network and interact with some of the leading surplus lines professionals in California.

# SLA Breaks Processed Premium Record

*Data Analysis Department Processes \$6.1 Billion In Premiums; Breaks Previous Record of \$6 Billion Set In 2006*

**By Cliston Brown**

Editor-in-Chief

**A** late push by the SLA's Data Analysis Department pushed processed premiums past the \$6.1 billion mark for 2015, an all-time record for processed premiums at the SLA.

The record for processed premium prior to 2015 was set in 2006, when Data Analysis processed \$6 billion in filed premium. At that point, the economic downturn in the ensuing years dropped the annual processed premium totals considerably until they began to bounce back in 2010.

The year-end push by Data Analysis was necessary to reduce a backlog of broker filings produced by a strong fourth quarter in 2015 and to meet the goals set by the SLA Board of Directors at the end of 2014.

The board had estimated, at its 2014 fall meeting, that the SLA would receive approximately \$6.2 billion in filed premiums in 2015. The board arrived at this number based on market trends and broker experience, and based the 2015 SLA budget on those expectations. The board's estimates, in recent years, have typically come extremely close to the final mark, and 2015 turned out to be no exception.

The SLA's goals, based on this estimate, were to: 1) process more than the 2014 total of \$5.99 billion, provided the premium was there;

2) reach \$6.1 billion in processed premium; and 3) to reach the "stretch" goal of exceeding \$6.1 billion and possibly reaching \$6.2 billion in processed premium. It became clear, at the end of the process, that there simply would not have been enough premiums to hit the stretch target, even if the backlog had been processed in its entirety.

"Heading toward the end of 2015, it became clear that in order to meet even our first goal, the entire Data Analysis Department would have to put forth a tremendous effort in the final weeks of the year," said **Benjamin J. McKay**, the SLA's Executive Director. "With a large number of filings in the last quarter, there was a backlog of 15 days—here, it must be noted that this was through no fault of Data Analysis—and this backlog would need to be reduced significantly for the SLA to reach the processed premium goals set forth by the board."

The Data Analysis Department, led by Vice President **Rose Tocchini**, embraced the challenge by logging hundreds of hours of overtime, well into the holiday season, to reduce the backlog and push the SLA toward its goals for the year.

"The entire department put forth a heroic effort and reduced that 15-day backlog to eight days, ultimately processing enough policies to surpass our primary goals with a final

filed premium total of more than \$6.1 billion, an increase of nearly 2 percent overall from 2014 and the highest total for filed premium ever," McKay said. "The entire SLA is grateful to the Data Analysis Department for its diligent and focused efforts in meeting this challenge. It was an amazing achievement. And of course, it must be said that our brokers had a spectacular year to write so much in premiums."

In addition, the final item count total for 2015 was 580,273 – up nearly 6 percent overall from 2014.

Please note that processed premiums do not exactly match written premiums, as some filings are not filed for weeks or months after the year has ended.

"The entire [Data Analysis] department put forth a heroic effort ... And of course, it must be said that our brokers had a spectacular year to write so much in premiums."

**Benjamin J. McKay, JD, MPA**  
SLA Executive Director



## A Meeting of the Minds

Incoming SLA Vice Chair **Tom Ciardello** (left), outgoing Chair **Denis Brady** (center) and incoming Chair **Chris Houska** (right) confer during the San Francisco segment of the **2016 SLA Annual Meeting** at the Julia Morgan Ballroom in San Francisco. Houska and Ciardello were formally elected by the SLA membership as chair and vice chair of the Board of Directors.

# Top 50 Brokers by Premium, through March 31, 2016

| Rank | BROKER                                                                      | PREMIUM PROCESSED      | % OF TOTAL     |
|------|-----------------------------------------------------------------------------|------------------------|----------------|
| 1    | MARSH USA INC.                                                              | 121,295,324            | 8.95%          |
| 2    | R-T SPECIALTY, LLC                                                          | 118,350,628            | 8.74%          |
| 3    | SWETT & CRAWFORD                                                            | 77,013,472             | 5.69%          |
| 4    | RISK SPECIALISTS COMPANIES INSURANCE AGENCY, INC.                           | 72,721,801             | 5.37%          |
| 5    | AON RISK INSURANCE SERVICES WEST, INC.                                      | 72,590,144             | 5.36%          |
| 6    | AMWINS INSURANCE BROKERAGE OF CALIFORNIA, LLC                               | 71,251,251             | 5.26%          |
| 7    | CRC INSURANCE SERVICES, INC.                                                | 59,926,885             | 4.42%          |
| 8    | WORLDWIDE FACILITIES, LLC                                                   | 37,864,074             | 2.80%          |
| 9    | BROWN & RIDING INSURANCE SERVICES, INC.                                     | 31,255,518             | 2.31%          |
| 10   | SCOTTISH AMERICAN INSURANCE GENERAL AGENCY, INC.                            | 25,309,723             | 1.87%          |
| 11   | BURNS & WILCOX INSURANCE SERVICES, INC.                                     | 24,890,813             | 1.84%          |
| 12   | RISK PLACEMENT SERVICES, INC.                                               | 23,072,142             | 1.70%          |
| 13   | ALL RISKS, LTD.                                                             | 20,827,890             | 1.54%          |
| 14   | AMWINS ACCESS INSURANCE SERVICES, LLC                                       | 20,527,186             | 1.52%          |
| 15   | WOODRUFF-SAWYER & COMPANY                                                   | 18,894,397             | 1.39%          |
| 16   | ALLIANT INSURANCE SERVICES, INC.                                            | 18,867,238             | 1.39%          |
| 17   | HARRY W. GORST COMPANY, INC.                                                | 17,014,790             | 1.26%          |
| 18   | LOCKTON COMPANIES, LLC                                                      | 16,671,888             | 1.23%          |
| 19   | ARTHUR J. GALLAGHER & CO. INSURANCE BROKERS OF CALIFORNIA, INC.             | 16,478,964             | 1.22%          |
| 20   | AMWINS BROKERAGE OF GEORGIA, LLC                                            | 14,361,585             | 1.06%          |
| 21   | MARSH & MCLENNAN AGENCY LLC                                                 | 12,440,689             | 0.92%          |
| 22   | PARTNERS SPECIALTY GROUP, LLC                                               | 12,184,572             | 0.90%          |
| 23   | INTEGRO USA INC.                                                            | 11,243,963             | 0.83%          |
| 24   | HULL & COMPANY, INC.                                                        | 10,918,703             | 0.81%          |
| 25   | SOCIUS INSURANCE SERVICES, INC.                                             | 10,776,388             | 0.80%          |
| 26   | CROUSE & ASSOCIATES INSURANCE SERVICES OF NORTHERN CALIFORNIA, INC          | 10,645,713             | 0.79%          |
| 27   | BORISOFF INSURANCE SERVICES, INC. . (DBA: MONARCH E & S INSURANCE SERVICES) | 10,019,260             | 0.74%          |
| 28   | COVE PROGRAMS INSURANCE SERVICES LLC                                        | 9,841,792              | 0.73%          |
| 29   | WHOLESALE TRADING CO-OP INSURANCE SERVICES LLC                              | 8,881,880              | 0.66%          |
| 30   | COASTAL BROKERS INSURANCE SERVICES INC.                                     | 8,584,665              | 0.63%          |
| 31   | BASS UNDERWRITERS, INC.                                                     | 7,643,764              | 0.56%          |
| 32   | WILLIS INSURANCE SERVICES OF CALIFORNIA, INC.                               | 7,602,866              | 0.56%          |
| 33   | NATIONAL TRANSPORTATION ASSOCIATES, INC.                                    | 7,083,425              | 0.52%          |
| 34   | WELLS FARGO INSURANCE SERVICES USA, INC.                                    | 7,057,272              | 0.52%          |
| 35   | REEL MEDIA, LLC                                                             | 6,935,347              | 0.51%          |
| 36   | COMMERCIAL INDUSTRIAL BUILDING OWNERS ALLIANCE, INC.                        | 6,238,989              | 0.46%          |
| 37   | R.E. CHAIX & ASSOCIATES INSURANCE BROKERS, INC.                             | 6,055,997              | 0.45%          |
| 38   | SOUTHWEST BUSINESS CORPORATION                                              | 5,701,595              | 0.42%          |
| 39   | NAS INSURANCE SERVICES, LLC                                                 | 5,668,608              | 0.42%          |
| 40   | LAE INSURANCE SERVICES, INC.                                                | 5,562,354              | 0.41%          |
| 41   | W. BROWN & ASSOCIATES PROPERTY & CASUALTY INSURANCE SERVICES                | 5,264,961              | 0.39%          |
| 42   | M.J. HALL & CO., INC.                                                       | 5,007,844              | 0.37%          |
| 43   | EDGEWOOD PARTNERS INSURANCE CENTER                                          | 4,899,162              | 0.36%          |
| 44   | AMWINS BROKERAGE OF ILLINOIS, LLC                                           | 4,658,123              | 0.34%          |
| 45   | BB&T INSURANCE SERVICES OF CALIFORNIA, INC.                                 | 4,648,165              | 0.34%          |
| 46   | ARTHUR J. GALLAGHER RISK MANAGEMENT SERVICES, INC.                          | 4,308,316              | 0.32%          |
| 47   | WILLIS OF TEXAS, INC.                                                       | 4,047,208              | 0.30%          |
| 48   | PORTER & CURTIS, LLC                                                        | 3,896,663              | 0.29%          |
| 49   | LIPPA SURPLUS LINES BROKERS, INC.                                           | 3,821,674              | 0.28%          |
| 50   | PETERSEN INTERNATIONAL UNDERWRITERS                                         | 3,520,124              | 0.26%          |
|      | <b>SUBTOTAL</b>                                                             | <b>\$1,094,345,794</b> | <b>80.79%</b>  |
|      | ALL OTHER BROKERS                                                           | 260,242,759            | 19.21%         |
|      | <b>TOTAL</b>                                                                | <b>\$1,354,588,553</b> | <b>100.00%</b> |

# Top 50 Carriers by Premium, through March 31, 2016

| RANK | COMPANY                                              | PREMIUM PROCESSED      | % OF TOTAL     |
|------|------------------------------------------------------|------------------------|----------------|
| 1    | LEXINGTON INSURANCE COMPANY                          | 110,728,550            | 8.17%          |
| 2    | SCOTTSDALE INSURANCE COMPANY                         | 59,641,485             | 4.40%          |
| 3    | LLOYD'S OF LONDON SYNDICATE #2623                    | 35,008,075             | 2.58%          |
| 4    | UNITED SPECIALTY INSURANCE COMPANY                   | 30,799,951             | 2.27%          |
| 5    | AIG SPECIALTY INSURANCE COMPANY                      | 29,748,528             | 2.20%          |
| 6    | COLONY INSURANCE COMPANY                             | 28,654,194             | 2.12%          |
| 7    | STEADFAST INSURANCE COMPANY                          | 28,131,686             | 2.08%          |
| 8    | ADMIRAL INSURANCE COMPANY                            | 26,562,273             | 1.96%          |
| 9    | IRONSHORE SPECIALTY INSURANCE COMPANY                | 25,772,318             | 1.90%          |
| 10   | QBE SPECIALTY INSURANCE COMPANY                      | 25,713,194             | 1.90%          |
| 11   | HOUSTON CASUALTY COMPANY                             | 23,253,924             | 1.72%          |
| 12   | INDIAN HARBOR INSURANCE COMPANY                      | 22,866,353             | 1.69%          |
| 13   | JAMES RIVER INSURANCE COMPANY                        | 21,796,605             | 1.61%          |
| 14   | NAVIGATORS SPECIALTY INSURANCE COMPANY               | 19,590,985             | 1.45%          |
| 15   | GREAT AMERICAN E&S INSURANCE COMPANY                 | 19,316,607             | 1.43%          |
| 16   | NATIONAL FIRE & MARINE INSURANCE COMPANY             | 19,233,025             | 1.42%          |
| 17   | LIBERTY SURPLUS INSURANCE CORPORATION                | 17,626,020             | 1.30%          |
| 18   | WESTCHESTER SURPLUS LINES INSURANCE COMPANY          | 17,504,260             | 1.29%          |
| 19   | LANDMARK AMERICAN INSURANCE COMPANY                  | 16,999,509             | 1.25%          |
| 20   | ASPEN SPECIALTY INSURANCE COMPANY                    | 16,905,058             | 1.25%          |
| 21   | ASSOCIATED ELECTRIC & GAS INSURANCE SERVICES LIMITED | 16,280,756             | 1.20%          |
| 22   | EVANSTON INSURANCE COMPANY                           | 16,028,457             | 1.18%          |
| 23   | ILLINOIS UNION INSURANCE COMPANY                     | 15,618,262             | 1.15%          |
| 24   | INTERNATIONAL INSURANCE COMPANY OF HANNOVER SE       | 15,578,863             | 1.15%          |
| 25   | GEMINI INSURANCE COMPANY                             | 15,277,938             | 1.13%          |
| 26   | EVEREST INDEMNITY INSURANCE COMPANY                  | 15,016,728             | 1.11%          |
| 27   | LLOYD'S OF LONDON SYNDICATE #0510                    | 14,853,913             | 1.10%          |
| 28   | MT. HAWLEY INSURANCE COMPANY                         | 14,836,279             | 1.10%          |
| 29   | LLOYD'S OF LONDON SYNDICATE #2987                    | 14,727,910             | 1.09%          |
| 30   | LLOYD'S OF LONDON SYNDICATE #3624                    | 14,653,974             | 1.08%          |
| 31   | GREAT LAKES REINSURANCE (UK) SE                      | 14,059,334             | 1.04%          |
| 32   | STARR SURPLUS LINES INSURANCE COMPANY                | 13,662,186             | 1.01%          |
| 33   | ENERGY INSURANCE MUTUAL LIMITED                      | 13,605,191             | 1.00%          |
| 34   | AXIS SURPLUS INSURANCE COMPANY                       | 13,586,855             | 1.00%          |
| 35   | LLOYD'S OF LONDON SYNDICATE #2003                    | 13,576,834             | 1.00%          |
| 36   | TOKIO MARINE SPECIALTY INSURANCE COMPANY             | 13,124,641             | 0.97%          |
| 37   | NAUTILUS INSURANCE COMPANY                           | 13,037,215             | 0.96%          |
| 38   | LLOYD'S OF LONDON SYNDICATE #0033                    | 12,962,415             | 0.96%          |
| 39   | ESSEX INSURANCE COMPANY                              | 12,734,666             | 0.94%          |
| 40   | COLUMBIA CASUALTY COMPANY                            | 12,713,214             | 0.94%          |
| 41   | AMTRUST INTERNATIONAL UNDERWRITERS LIMITED           | 11,670,665             | 0.86%          |
| 42   | ARCH SPECIALTY INSURANCE COMPANY                     | 10,956,134             | 0.81%          |
| 43   | ROCKHILL INSURANCE COMPANY                           | 10,648,837             | 0.79%          |
| 44   | FIRST MERCURY INSURANCE COMPANY                      | 10,604,347             | 0.78%          |
| 45   | KINSALE INSURANCE COMPANY                            | 10,524,158             | 0.78%          |
| 46   | GENERAL SECURITY INDEMNITY COMPANY OF ARIZONA        | 10,253,104             | 0.76%          |
| 47   | ENDURANCE AMERICAN SPECIALTY INSURANCE COMPANY       | 10,171,387             | 0.75%          |
| 48   | CHUBB CUSTOM INSURANCE COMPANY                       | 9,794,352              | 0.72%          |
| 49   | HUDSON EXCESS INSURANCE COMPANY                      | 8,887,286              | 0.66%          |
| 50   | ALLIED WORLD NATIONAL ASSURANCE COMPANY              | 8,778,817              | 0.65%          |
|      | <b>SUBTOTAL</b>                                      | <b>\$984,077,319</b>   | <b>72.65%</b>  |
|      | ALL OTHER COMPANIES                                  | 370,511,234            | 27.35%         |
|      | <b>TOTAL</b>                                         | <b>\$1,354,588,553</b> | <b>100.00%</b> |

# SLA Boosts Its Advocacy Outreach Efforts



**By Benjamin J. McKay**  
SLA Executive Director

**D**uring my many years in Washington, D.C., I learned a valuable lesson early on: it is far better to build relationships with legislators and regulators *before* you need their cooperation than to wait *until* you need it.

As an insurance lobbyist in the nation's capital, I found myself in the unenviable situation of having to approach a powerful U.S. Senator, whom I previously had never met, to discuss a problem he had with the industry. His insurer (not one of my association's member companies) recently had denied his claim after a hurricane had blown away his home, and he was in no mood for friendly conversation.

"I know who **you** are," the Senator said curtly as I introduced myself, and he pointedly declined my proffered handshake. "You've got a lot of nerve. I've got my stinger out for you, boy."

In addition to being disinclined toward basic pleasantries at that moment, the Senator also had no interest in hearing that my association did not represent the insurer that had denied his claim. Clearly, the better time for him to have learned that information would have been prior to the hurricane blowing his house away—or washing it away, depending on whether you were the Senator or his insurer.

Since that memorable moment, I have

always followed the maxim that an ounce of prevention is worth a pound of cure. And that is why the SLA, during my tenure, has begun making a concerted effort toward building relationships with legislators and regulators, both in Sacramento and in Washington, D.C.

As part of this ramping up of our advocacy outreach efforts, we recently expanded the SLA's newest department, the Communi-

"I know who **you** are," the Senator said curtly as I introduced myself, and he pointedly declined my proffered handshake. "You've got a lot of nerve. I've got my stinger out for you, boy."

cations Department, to include government relations, and hired an assistant vice president in that department to give us added capacity. Both Vice President **Cliston Brown** and Assistant Vice President **Kelly Hogan** have prior experience working for members of Congress and for large, influential member associations in Washington, D.C. While neither of them are lobbyists, they do bring to the SLA a deep knowledge and understanding of how to communicate and interact effectively with government officials and their staff members.

Cliston accompanied me earlier this year to a meeting in Sacramento with Assembly Insurance Chair **Tom Daly**, and he also met with State Senator **Robert Hertzberg**. Both were pleased that we made the effort to come see them and to inform them about the surplus line industry, our members, and their value to California's consumers and its economy. I also met Assembly Member **Matt Dababneh** and had a productive meeting with him.

Additionally, Cliston, Kelly and other members of the SLA team helped prepare testimony and supporting materials for a State Senate Insurance Committee hearing on homeowners insurance on March 9. I was called by committee staff to testify at that hearing regarding the increase in surplus lines activity in the homeowners' market due to wildfires.

Due to our staff's efforts, my testimony during that hearing was favorably received by committee members and staff, and we established good relationships with them, which will be to our benefit the next time a surplus lines issue comes before that committee.

In addition to the expansion of the role of SLA staff, we are also fortunate to have a

Legislative Committee that helps guide and support our efforts. Led by **Hank Haldeman**, this committee is spearheading an active role for our association and its members in introducing ourselves to key decision makers in our state and national capitals.

By building these relationships now, we are likely to find ourselves in a far better position to inform and educate decision makers on future legislation that may affect our industry. Being a trusted source of information is a far better place to be than heading into the beehive and finding one or more very powerful adversaries waiting for us—with their stingers out.



# Education Department Has Exciting Offerings



## By Pat McAuley

SLA Senior Vice President, Education and Compliance

**U**nder the direction of the Education and Compliance Committee, the Education and Compliance Department determines seminar subject matter and speakers for the SLA sponsored CE

courses. In addition to the mandatory ethics course, topics for the remainder of 2016 will include products recall, climate change, and cannabis, with a great lineup of speakers. Two of these courses are now available on our website, and the third will be available very soon. If there are course topics that you would like us to present or speakers that would like to speak at upcoming seminars, please contact [education@slacal.org](mailto:education@slacal.org).

In other news, for brokers relocating from California to another state, California does not grant non-resident surplus line license status until the broker is granted a property casualty license and surplus line license in his/her new state of residence. If considering relocating, review the time frame for obtaining a surplus line license in the projected new resident state and the amount of time needed to attain the California non-resident license so there will not be

a lapse in the surplus line license.

The Education and Compliance Department has been working with our Technology Department in replacing the SLA internal software system, as well as enhancing SLIP for our members. One key change which has just taken place includes elimination of the batch concept so SLIP users can submit policies directly to the SLA without first creating a batch. This will be more efficient and user-friendly.

We continue to offer webinars on filing procedures and SLIP training. You can visit our website for tutorials created to specifically address different sections of the basic filing process: <http://www.slacal.org/resources/new-filer-information>.

For SLIP users, we offer tutorials that provide step by step instruction for SLIP submissions: <http://www.slacal.org/resources/slipo/tutorials>.

## Washington To Host 2016 Western States

*Event Set For July at Fairmont Chateau in Whistler, Canada*

**T**he 2016 Western States Surplus Lines Conference will take on an international flavor, as the Surplus Line Association of Washington is preparing to host this year's event in Canada.

This year's conference is set to take place at the Fairmont Chateau in Whistler, British Columbia, from July 13-15. The setting provides a spectacular backdrop of scenery and activities to complement a conference with a full agenda of informative speakers and networking opportunities.

The program begins in earnest on July 14, with **Richard Magrath**, U.S. western regional director for Lloyd's, peering into the crystal ball and assessing the future of that organization. Following Magrath will be **Dr. Steven Weisbart**, senior vice president and chief economist for the Insurance Information Institute, will present on "Insurance, the Sharing Economy, Millennials and More." And **Cliston Brown**, vice president of communications and government relations for the California SLA and an up-and-coming politi-



cal columnist for the New York Observer, will speak on the state of U.S. politics heading into the national political conventions.

On July 15, attendees will hear the keynote, motivational speaker **Susan Ershler**, discuss "Conquering the Seven Summits of Peak Performance," and a panel discussion on "Cyber Nightmares: A Look At Cyber Claims and Things Keeping Insureds Awake

At Night." This final presentation is slated to include several insurance and legal experts and should provide attendees a great deal of food for thought about this rapidly emerging risk.

To register for this year's exciting and informative Western States Surplus Lines Conference, please go to <http://www.surpluslines.org/wsslc/>.

## SLA Board of Directors 2016

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## Industry Calendar: May-August 2016

**Insurance Industry Charitable Foundation (IICF) Casino Night Benefit**  
Firehouse 8, 1648 Pacific Ave., San Francisco  
May 19, 2015  
<https://iicf.ejoinme.org/CasinoNight2016>

**AAMGA Annual Meeting**  
J.W. Marriott Desert Ridge Resort, Phoenix  
May 22-25, 2016  
<http://www.aamga.org/2016annual>

**CIWA Summer Forum and Annual Meeting**  
Monterey Plaza Hotel and Spa, Monterey, CA  
June 27-28, 2016  
<http://www.gociwa.com/>

**Western States Surplus Lines Conference**  
Fairmont Chateau, Whistler, BC, Canada  
July 12-15, 2016  
<http://www.surpluslines.org/wsslc/>

**NCOIL Summer Meeting**  
Portland Marriott Downtown, Portland, OR  
July 14-17, 2016  
[www.ncoil.org/schedule/upcoming.html](http://www.ncoil.org/schedule/upcoming.html)

**NAIC Summer Meeting**  
Grand Hyatt, San Diego  
August 26-29, 2016  
[http://www.naic.org/meetings\\_home.htm](http://www.naic.org/meetings_home.htm)

### Upcoming SLA Continuing Education

Registration and continental breakfast for all courses starts at 8 a.m., seminars run from 8:30-11:30 a.m. Call Education Department at (415) 434-4900 or register at [http://www.slacal.org/education/ed\\_schedule.php](http://www.slacal.org/education/ed_schedule.php).

#### Contaminated Products and Recall Insurance

Presented by **Lori M. Hunter**, CPCU, Property Casualty Broker, Worldwide Facilities, Inc. and **Mark LeBlanc**, Vice President, Crisis Management, Fairmont Specialty Managers Agency

#### 3 CE Credits

**Tuesday, May 24th**, Hilton Universal City  
555 Universal Hollywood Drive, Universal City

**Wednesday, May 25th**, PG&E Conference  
Center Auditorium, 245 Market Street, San Francisco

#### Drought, Climate Change, Wildfires, Oh My!

Presented by **Michael Brown**, CPCU, CRIS, AU-M, ASLI, ARe, CCRA, ARM-E, AINS, AIT, Vice President, Golden Bear Insurance Agency

#### 3 CE Credits

**Tuesday, June 21st**, Hilton Universal City  
555 Universal Hollywood Drive, Universal City

**Wednesday, June 22nd**, PG&E Conference  
Center Auditorium, 245 Market Street, San Francisco

#### SLA Connection

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### Committee Day Helps SLA Plot Its Course for 2016, Coming Years

Board member **Janet Beaver** (center) talks with the SLA's **Susan Bryant** and another industry colleague during a breakout session at the SLA's annual **Committee Day** in Berkeley on April 6. The event focused on strategic innovation planning and also gave attendees an opportunity to network with colleagues.

