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Stamping Office Premium and Item Report - 2024 Annual Report

Kansas City, MO – The U.S. Surplus Lines Service and Stamping Offices have released their 2024 Annual Report, revealing that surplus lines premium reached over $81 billion, with premium-bearing items nearing 7 million. These figures reflect a 12.1% increase in premium and a 9.5% rise in items compared to the same period in 2023. This follows last year's premium of $72.7 billion and 14.6% growth.

The 2024 Annual Report builds on insights from the 2024 Midyear Report and offers detailed stamping office data organized by line of business, broken down by both premium and items. The report presents a comparative analysis of the 2024 and 2023 surplus lines market, highlighting nine key lines of business: auto liability, auto physical damage, disability/A&H, inland marine, liability (non-professional), multi-peril, professional liability, property, and residential/homeowners/other personal property. In collaboration with stamping offices in 15 states, the report maps each state's coverage codes into these nine lines of business, providing a unique and reliable source of surplus lines premium and item data. The full 2024 and 2023 stamping office data by line of business is available for download here.

Line of business data serves as a key indicator of the types of business driving the excess and surplus lines (E&S) market, with commercial liability and commercial property coverage remaining the dominant segments. Although some states have reported increases in personal lines, such as homeowners, these coverages still represent a relatively small portion, just 4.9%, of the overall E&S market. These trends underscore the surplus lines market's unique ability to adapt to shifting demands, utilizing its freedom in rate and form to provide coverage where the admitted market cannot.

Ben McKay, CEO and Executive Director of the Surplus Line Association (SLA) of California, emphasized the continued importance of surplus lines in responding to market shifts and coverage gaps created by changes in the admitted market. "California's surplus lines market experienced continued growth in 2024 with a 11.58% increase in premium and 18.76% increase in items, highlighted by a 124% increase in transaction filings within the residential line of business, underscoring the continued dislocation in admitted markets," McKay said. While the increase in residential policies is noteworthy, it's important to highlight that these policies account for less than 7% of the overall California surplus lines market. The broader market continues to be largely driven by liability lines.

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“Liability lines, including general liability, excess, cyber, and commercial auto, remain a significant driver of our market,” McKay said. “In particular, commercial auto premiums have surged 162% year-over-year. These areas of growth reflect broader market dynamics, such as inflation, increasing nuclear verdicts, political uncertainty, and the transformative impact of artificial intelligence and advanced technologies.”

Several state stamping offices report specific quarterly or monthly data on their websites and it’s worth noting that in some cases, these numbers do not match the numbers reported to WSIA. For example, the SLA of California reports policies on their website based upon a filing’s “Registered Date”, which represents the date that the policy details were carefully audited and corrected (if necessary) by the Surplus Line Association’s Data Analysis Department. At times, there may be a queue or backlog of policies where the Registered Date is several days past the date the SLA received the policy. In contrast, the SLA reports to WSIA all items that were submitted to the SLA during the given reporting period, ensuring a real time composite of business written and providing consistency with how other states submit their data to WSIA.

Illinois also demonstrated continued growth in its liability lines in 2024. David Ocasek, CEO of the Surplus Line Association of Illinois, noted that, general liability, excess general liability, and commercial auto all remained very strong drivers of growth in the Illinois surplus line market in 2024, which climbed 10.3% to more than $4.4 billion.

The state’s property categories also experienced notable increases. “Commercial fire premiums were up 113% over prior year, while all risk premiums rose only 1.5%. Umbrella, products liability and certain professional liability lines also contributed significantly to the increase,” Ocasek highlighted.

Greg Brandon, Executive Director of the Surplus Lines Stamping Office of Texas, highlighted the strong performance of the Texas surplus lines market in 2024. “This past year was marked by significant growth in premium and item count for the Texas E&S market,” Brandon said. “The stamping office recorded over $16.5 billion in premium, represented by over 830,000 policies and 1.33 million total items. Commercial insurance product lines continued to dominate the Texas market narrative, representing over 96% of the market’s total premiums and over 77% of the item count.”

Mark Shealy, Executive Director of the Florida Surplus Lines Service Office, acknowledged Florida’s premium growth at 10.53% year over year, with transaction counts closely following at 6.77%. “Florida’s surplus lines market has seen a slowdown in growth, with Q1 posting double-digit increases and Q4 showing a shift to single-digit gains,” Shealy said. “Notably, commercial property saw a 3% increase in premium volume for November compared to 2023, though growth within the quarter showed signs of slowing. However, policy counts continued to rise, suggesting a stabilizing market,” he added.

Janet Pane, CEO & Executive Director of the Excess Line Association of New York, underscored the E&S sector’s crucial role in addressing coverage gaps for consumers. “As the safety valve for risks the admitted market cannot or will not write, E&S insurance plays a critical role in providing vital new coverages, and we are seeing that reflected in filings,” Pane said. “For example, E&S insurers and producers have stepped up to offer robust workplace violence policies, which are increasingly sought after by insureds in New York. New York’s market continues to show consistent growth, with items increasing by 13.3% and premiums rising by 13.1%.”

Stamping office states accounted for 63% of all U.S. surplus lines premium volume in 2024, providing a valuable indicator of the state of the total U.S. surplus lines market. State stamping and service offices are non-governmental entities that play a vital role in the surplus lines industry by facilitating compliance with surplus lines insurance regulations and tax filings as well as additional services for their respective memberships. A full list of stamping office contact information can be found here.

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