

A Case Study on Premium Reconciliation in Surplus Lines

Part 5: The Strategic Question Facing Regulators

Florida's experience provides clear evidence of what reconciliation reveals, and early results from other SLIP+ states reinforce that pattern. The question facing regulators is no longer whether reconciliation works, but whether they can afford to operate without independent verification of surplus lines reporting.

Since 2000, Florida's program has identified more than **\$2.7 billion** in unreported surplus lines premium and recovered more than **\$108 million** in premium taxes and assessments owed to the state. For Florida, each dollar directed toward Premium Reconciliation has yielded approximately **\$1,180** in identified unreported premium and taxes. This ratio highlights both the fiscal impact of verification and the scale of revenue that can remain undetected without it, even in a mature and highly regulated market.

Beyond the dollars recovered, reconciliation provides something equally critical: confidence in the accuracy of the marketplace itself. Without independent verification, regulators and stakeholders must rely on data that may be incomplete, inconsistent, or misreported.

The data is clear. Reconciliation delivers measurable financial returns, strengthens compliance, and improves the integrity of surplus lines reporting. As the market continues to grow and complexity, the focus shifts from whether reconciliation provides value to whether regulators can afford to operate without it.

This analysis is based on data from the Florida Surplus Lines Service Office (FSLSO) and the SLIP+ platform. FSLSO is Florida's statutory surplus lines service office, responsible for supporting compliance, reporting, and data integrity within the surplus lines marketplace. SLIP+ is a multi-state filing and reporting platform that facilitates surplus lines transactions, tax reporting, and premium reconciliation for participating jurisdictions.

For more information about this analysis or premium reconciliation programs, please contact:
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