

September 13, 2024

Attn: All Surplus Lines Insurers doing business in South Dakota

RE: RECONCILIATION OF NON-ADMITTED PREMIUM

The South Dakota Division of Insurance (Division) is requesting certain information regarding the non-admitted insurance that was written in South Dakota for the year 2024 and going forward. This data is necessary to reconcile the premiums written by non-admitted insurance companies with the premiums reported by the South Dakota non-admitted filers (surplus lines agents/brokers, direct procurement filers, and risk purchasing groups).

South Dakota follows the “Home State” taxation and regulatory requirements that are outlined in the Non-Admitted and Reinsurance Reform Act (NRRA) as required under SDCL 58-32-45.

Surplus Lines Brokers that transact business with non-admitted insurers where South Dakota is the home state are required to file tax reports with the South Dakota Division of Insurance and remit taxes and fees on all South Dakota non-admitted insurance business through the Surplus Lines Information Portal (SLIP). As a surplus lines insurer doing business in South Dakota, you currently file your business written report to the South Dakota Division of Insurance via a paper filing. The Division is modernizing this filing to be an electronic filing via the SLIP system, which will no longer require the paper filing.

Insurers will submit policy data to the South Dakota Division of Insurance via the SLIP system. SLIP is accessible through the SDDOI website at https://dlr.sd.gov/insurance/surplus_lines.aspx. All surplus lines insurers will be sent an email when their company’s SLIP account is created. However, if you do not receive an email, insurers can register for a SLIP account on the [SLAS SLIP](#) login page.

Insurers have the following options for data submissions via SLIP: (1) manual data entry or (2) multiple policy submission through an XML batch process. Insurers reporting a relatively small number of policies are ideal candidates for the manual data entry in SLIP, while insurers reporting numerous policies may prefer to submit data in XML batch format. Please contact the SLAS staff at batchfiling@slasclearinghouse.com to request more information on the batch filing process.

RECONCILIATION OF NON-ADMITTED PREMIUM (Concluded)

The South Dakota Division of Insurance reconciles the non-admitted insurance company data with non-admitted filer/broker data that is submitted into SLIP. Please report the data as it appears on the declarations page. The following data elements are required for each policy submitted by insurers:

- Policy number
- Insured
- Name of the surplus lines agent or direct procurement filer
- Premium (100% of the premium for South Dakota “Home State” policies)
- Transaction effective date

Surplus Lines Insurers writing business in South Dakota will have until **December 31, 2024** to report transactions effective January 1, 2024 – September 30, 2024. All transactions effective October 1, 2024 and after should be reported using the schedule below.

Foreign Insurers - Quarterly Filings		
Reporting Period	Transactions Effective	Reporting Deadline
1 st Quarter	January 1 – March 31	June 30
2 nd Quarter	April – June 30	September 30
3 rd Quarter	July 1 – September 30	December 31
4 th Quarter	October 1 – December 31	March 31 of the following year
Alien Insurers - Annual Filings		
Reporting Period	Transactions Effective	Reporting Deadline
Annual	January 1 – December 31	June 30

To summarize, all foreign insurer transactions effective January 1, 2024 – September 30, 2024 should be reported in SLIP on or before December 31, 2024. Foreign insurer transactions effective October 1, 2024 and after should be reported quarterly using the reporting deadline schedule listed above. Alien insurer transactions effective January 1, 2024 – December 31, 2024 should be reported annually on or before June 30, 2025.

For more information on insurer reporting or premium reconciliation, please contact the SLAS team at InsurerServices@slasclearinghouse.com, or by phone at 877.267.9855. You may also contact Charlene Squires Keller with the South Dakota Division of Insurance at 605.773.3563 or Charlene.SquiresKeller@state.sd.us.



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