

# The Basics of Surplus Lines Insurance Carriers

## Standard Carriers

- Standard carriers are used to insure normal or standard risks for which there is a well established market.
- They are also known as “authorized” or “admitted” carriers.
- Approved standard carriers are considered “authorized to do business in the State of Texas” by the Texas Department of Insurance.
  - They are listed on the Texas Department of Insurance’s list of authorized carriers.

## Surplus Lines Carriers

- Surplus lines carriers are used to insure high, unusual, or new risks for which there is not a well established market.
- They are also known as “non-admitted” carriers.
- Approved surplus lines carriers are considered “eligible to do business in the State of Texas” by the Texas Department of Insurance.
  - They are listed on the Texas Department of Insurance’s list of eligible carriers.

- Both types of companies are legally allowed to do business in Texas.
- Both types of companies must follow the same claim settlement practices.
  - Texas Insurance Code § 542.001

# Proposed TNC Insurance Coverage Requirements

