Record-Setting 2017

ELANY experienced a banner year in 2017. We processed more than 325,000 transactions representing $3.92 Billion in premium. We ended the year with 850 active member brokers that filed transactions with ELANY. These numbers are records, indicating the dynamic quality and growth of the New York excess line marketplace. Wholesalers placed 87% of the transactions representing 63% of the total excess line premium, a strong indication that the market remains driven by complex risks for which retail brokers cannot locate adequate admitted market coverage. The excess line market continues to represent only a small, but vital, portion of the total property-casualty insurance transactions placed in New York.

Congrats!

We wish all the best to Maurice “Moe” Morgenstern, Deputy Bureau Chief of the Department of Financial Services’ Property Bureau, on his retirement. Moe’s deep knowledge and experience will be missed, as will his sense of humor.

Congratulations to ELANY Board Chair Janet Pane on being named Head of Global Services and Solutions by Willis Towers Watson P.L.C., and congratulations to Willis Towers Watson on a smart decision!

Many thanks to David Isenberg, who stepped down from the ELANY Board of Directors after years of invaluable service. Dave has been a strong guiding voice from ELANY’s early days and a driving force in its development. He has been replaced on the Board by Eric Keller of Buffalo’s H. R. Keller & Co., Inc. Welcome Eric!

Nancy Born has been named Chief Administrative Officer by ELANY. Nancy has served the organization with distinction for many years and this promotion is a testament to the enormous value she continues to bring the organization.

Howard Greene has joined ELANY as Director of Strategic Initiatives, adding depth to ELANY’s veteran management team. He has been handling broker cybersecurity regulation compliance issues and a variety of other matters for the organization. Welcome Howard!

Cybersecurity Training

ELANY’s free cybersecurity awareness training offer for active members has been well-received. As of the end of January, we have or are training more than 6,600 individuals at over 135 member brokerages. The training fulfills the training requirements of the Department of Financial Services cybersecurity regulation and provides our members with an invaluable tool to help protect their clients and business. For those licensees who are subject to the regulation’s training requirement, all firm personnel must be trained by March 1st.
Cybersecurity Web Broadcast

On December 5th, ELANY partnered with A.M. Best to bring our members and the public a free web broadcast titled, "New York's New Cyber Regulation: A Producer's Guide to Compliance." To date, the broadcast has been viewed by more than 900 people. ELANY members and others are invited to access the replay of the broadcast, either in its entirety or in labeled segments, by clicking here.

Staying In Touch

LinkedIn. ELANY has a LinkedIn page! We are regularly posting announcements, Bulletins, items of interest to the excess line community and news about ELANY. We invite you to follow us on LinkedIn.

We have created a new publication, ELANY Elaborates, which provides deeper dives into issues of interest to excess line brokers and others. Our first two issues, discussing earned premium and ELANY’s financial oversight of foreign insurers, are on our website. Look for more issues as 2018 progresses.

Two new videos have been produced during the past several months to help excess line brokers comply with policy filing requirements. Excess Line Filing Compliance, Get It Right The First Time and Producing Broker’s Guide To Completing The Elany Part C affidavit assist excess line brokers in making filings with ELANY as simple and hassle-free as possible.

Contributions

ELANY is proud to have contributed almost $90,000 to charitable causes in 2017, including assistance for Hurricane Harvey victims in Texas with contributions to food banks in Houston, Galveston and Corpus Christi; Americasres and Global Living Foundations for Hurricane Maria aid to Puerto Rico; Keys Area Interdenominational Resources, All Faiths Food Bank, and Second Harvest Food Bank of Central Florida for Hurricane Irma relief, and; the Insurance Industry Charitable Foundation.

Changes to the list of Eligible E&S Insurers

2017 saw a number of additions to the ELANY list of E&S insurers: TDC Specialty Insurance Company, Lloyd’s Syndicates #2988 and #5886, American National Lloyds Insurance Company, Radnor Specialty Insurance Company, Peleus Insurance Company, General Security Indemnity Company of Arizona, and Independent Specialty Insurance Company. Lloyd’s Syndicates #1400 and #2000 were removed from the list. These insurers were reviewed and approved by the ELANY Board of Directors based on objective criteria that are designed to ensure that only demonstrably secure insurers obtain the ELANY imprimatur.

License Renewals

Please remember to renew excess line broker business entity licenses with the Department of Financial Services prior to October 31st. Renewals can be processed online at www.dfs.ny.gov/insurance/licrenewal.htm. Individual excess line broker licenses expire on the licensee’s birthday in even numbered years for individuals born in even numbered years, and odd numbered years for those born in odd numbered years.

Premium Tax Statement Filings

All licensed excess line brokers must file a Premium Tax Statement by March 15th even if no business was placed under the license. Filings must be made electronically. Failure to file carries a $500 penalty. See ELANY Bulletin 2018-06 for further information.

Legislation

ELANY has an active legislative agenda planned for 2018. We will once again be advocating for two bills that would serve claimants, buyers and excess line brokers well.

The first bill (S423/A4754-A) would change New York law to permit insurance coverage of punitive damages and civil penalties. Personal lines and commercial auto would be excluded, no insured would be covered for conduct that was intended to cause the relevant harm,
The market for medical malpractice insurance. Since MMIP is a market of last resort, it does not issue declinations and therefore the excess line market cannot write primary medical malpractice coverage for doctors, dentists and general hospitals. New York’s medical malpractice insurance market has few financially strong options and risk retention groups make up a significantly larger share of the New York market than other states where excess line policies are permitted. Allowing financially secure excess line insurers to be an option is good for medical professionals and medical malpractice claimants who need to have awards they can collect, and for brokers that seek to place business with highly rated insurance companies.

and coverage would have to be expressly provided for by an insurance policy. Insureds currently go offshore to obtain this coverage and ELANY believes it would serve New York well to instead have this coverage written in a more convenient, regulated market. Of great importance, permitting this coverage would increase the chances that injured parties could collect on punitive damages awards in the relatively rare instances where such awards are made.

The second but equally important bill (S422/A29) would remove the requirement that excess line brokers obtain a declination from the state Medical Malpractice Insurance Pool (MMIP), which is New York’s residual market for medical malpractice insurance.

**CALENDAR**

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<th>2018</th>
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<td><strong>March</strong></td>
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<td><strong>CAPITAL DISTRICT INSURANCE</strong></td>
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<td>COMMUNITY, INC.</td>
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<td><strong>ELANY ANNUAL MEMBERS’ MEETING</strong></td>
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<td>Yankee Stadium</td>
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<td><strong>ELANY ANNUAL LEGISLATIVE RECEPTION</strong></td>
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<td>Albany, New York</td>
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<td>Buffalo I-Day</td>
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**CALANDAR**

2018

March

Friday–Sunday
March 2–March 4

The National Conference of Insurance Legislators (NCOIL)
Spring Meeting
The Ritz-Carlton Buckhead
Atlanta, Georgia

Saturday–Tuesday
March 24–March 27

NATIONAL ASSOCIATION OF INSURANCE COMMISSIONERS (NAIC)
Spring Meeting
Hilton Milwaukee City Center/Hyatt Regency
Milwaukee/Wisconsin Center
Milwaukee, Wisconsin

April

Wednesday–Saturday
April 11–April 14

WHOLESALE & SPECIALTY INSURANCE ASSOCIATION (WSIA)
2018 Underwriting & Leadership Summit
JW Marriott Phoenix Desert Ridge
Phoenix, Arizona

Thursday
April 12

INSURANCE CLUB OF BUFFALO
Buffalo I-Day
Buffalo Niagara Convention Center
Buffalo, New York

Wednesday
April 25

PROFESSIONAL INSURANCE AGENTS OF NEW YORK (PIANY)
Long Island Rap
Crest Hollow Country Club
Woodbury, New York

Wednesday
April 25

CAPITAL DISTRICT INSURANCE COMMUNITY, INC.
Albany I-Day
Albany Capital Center
Albany, NY

May

Wednesday
May 9

ELANY ANNUAL MEMBERS’ MEETING
Yankee Stadium
Bronx, New York

Monday
May 14

ELANY ANNUAL LEGISLATIVE RECEPTION
Fort Orange Club
Albany, New York
**OPEN TO THE PUBLIC**

Wednesday–Friday
May 30–June 1

NEW YORK INSURANCE ASSOCIATION, INC. (NYIA)
Annual Conference
The Saratoga Hilton
Saratoga Springs, New York

June

Sunday–Tuesday
June 10–June 12

PIANY/PIANI
Joint Annual Conference
Harrah’s Resort & Casino
Atlantic City, New Jersey

July

Thursday–Sunday
July 12–July 15

THE NATIONAL CONFERENCE OF INSURANCE LEGISLATORS (NCOIL)
Summer Meeting
Little America Hotel
Salt Lake City, Utah

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