

By: Lozano

H.B. No. 4354

A BILL TO BE ENTITLED

AN ACT

1
2 relating to a mitigation and preparedness program and a fortified
3 homes program administered by the Texas Windstorm Insurance
4 Association.

5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

6 SECTION 1. Section 2210.454, Insurance Code, is amended to
7 read as follows:

8 Sec. 2210.454. MITIGATION AND PREPAREDNESS PROGRAM
9 [~~PLAN~~]. (a) Subject to a plan approved by the [~~The~~] commissioner,
10 the association may administer [~~shall annually develop and~~
11 ~~implement~~] a mitigation and preparedness program [~~plan~~].

12 (b) Each [~~state fiscal~~] year, the association [~~department~~]
13 may fund the mitigation and preparedness program [~~plan~~] using money
14 from the catastrophe reserve trust fund not to exceed \$500,000
15 annually [~~available funds~~].

16 (c) The association must design the mitigation and
17 preparedness program [~~plan must provide for actions to be taken in~~
18 ~~the seacoast territory by the commissioner, or by a local~~
19 ~~government, state agency, educational institution, or nonprofit~~
20 ~~organization designated by the commissioner in the plan, to~~
21 ~~implement programs~~] to:

22 (1) improve preparedness for windstorm and hail
23 catastrophes; and

24 (2) reduce potential losses in the event of such a

1 catastrophe ~~;~~ and
2 ~~[(3) provide research into the means to:~~
3 ~~[(A) reduce those losses;~~
4 ~~[(B) educate or inform the public in determining~~
5 ~~the appropriateness of particular upgrades to structures; or~~
6 ~~[(C) protect infrastructure from potential~~
7 ~~damage from those catastrophes].~~

8 (d) Money ~~[in excess of \$1 million]~~ may not be used under
9 this section if the commissioner determines that an expenditure ~~[of~~
10 ~~investment income]~~ from the trust fund would jeopardize the
11 actuarial soundness of the association ~~[fund]~~ or materially impair
12 the ability of the association ~~[fund]~~ to serve the state purposes
13 for which the association ~~[fund]~~ was established.

14 SECTION 2. Subchapter J, Chapter 2210, Insurance Code, is
15 amended by adding Section 2210.456 to read as follows:

16 Sec. 2210.456. FORTIFIED HOMES PROGRAM. (a) Subject to a
17 plan approved by the commissioner, the association may administer a
18 fortified homes program.

19 (b) Each year, the association may fund the fortified homes
20 program using money from the catastrophe reserve trust fund not to
21 exceed \$500,000 annually.

22 (c) The fortified homes program must be designed to:

23 (1) improve preparedness for windstorm and hail
24 catastrophes; and

25 (2) reduce potential losses in the event of such a
26 catastrophe.

27 (d) Money may not be used under this section if the

1 commissioner determines that an expenditure from the trust fund
2 would:

3 (1) jeopardize the actuarial soundness of the
4 association; or

5 (2) materially impair the ability of the association
6 to serve the state purposes for which the association was
7 established.

8 SECTION 3. This Act takes effect September 1, 2023.