

By: Lozano

H.B. No. 4354

A BILL TO BE ENTITLED

AN ACT

relating to mitigation preparedness incentives for Texas Windstorm Insurance Association policyholders.

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

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

MITIGATION AND PREPAREDNESS PLAN. (a) Subject to a plan approved by the commissioner, the association may develop and implement administer a mitigation and preparedness plan program.

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

(c) The mitigation and preparedness ~~plan program~~ must be designed provide for actions to be taken in the seacoast territory by the commissioner, or by a local government, state agency, educational institution, or nonprofit organization designated by the commissioner in the plan, to implement programs to:

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

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

~~(3) provide research into the means to:~~

1                   ~~(A) reduce those losses;~~  
2                   ~~(B) educate or inform the public in determining~~  
3 ~~the appropriateness of particular upgrades to structures; or~~  
4                   ~~(C) protect infrastructure from potential damage~~  
5 ~~from those catastrophes.~~

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

12           SECTION 2. This Act takes effect September 1, 2023.