

By: Jackson

S.B. No. 1347

A BILL TO BE ENTITLED

AN ACT

1
2 relating to rate changes for insurance coverage written through the
3 Texas Windstorm Insurance Association.

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

5 SECTION 1. Subdivision (9), Subsection (h), Section 8,
6 Article 21.49, Insurance Code, is amended to read as follows:

7 (9) A rate established and authorized by the
8 commissioner under this subsection may not reflect an average rate
9 change that is more than 10 percent higher or lower than the rate
10 for commercial or 10 percent higher or lower than the rate for
11 noncommercial windstorm and hail insurance in effect on the date
12 the filing is made. The rate may not reflect a rate change for an
13 individual rating class that is 15 percent higher or lower than the
14 rate for that individual class in effect on the date the filing is
15 made. The commissioner may, after notice and hearing, suspend this
16 subdivision upon a finding that a catastrophe loss or series of
17 occurrences resulting in losses in the catastrophe area justify a
18 need to assure rate adequacy in the catastrophe area and also
19 justify a need to assure availability of insurance outside the
20 catastrophe area. [~~This subdivision expires December 31, 2005.~~]

21 SECTION 2. This Act takes effect immediately if it receives
22 a vote of two-thirds of all the members elected to each house, as
23 provided by Section 39, Article III, Texas Constitution. If this
24 Act does not receive the vote necessary for immediate effect, this

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1 Act takes effect September 1, 2003.