

1-1 By: Jackson S.B. No. 1347
1-2 (In the Senate - Filed March 17, 2003; March 19, 2003, read
1-3 first time and referred to Committee on Business and Commerce;
1-4 April 16, 2003, reported favorably by the following vote: Yeas 9,
1-5 Nays 0; April 16, 2003, sent to printer.)

1-6 A BILL TO BE ENTITLED
1-7 AN ACT

1-8 relating to rate changes for insurance coverage written through the
1-9 Texas Windstorm Insurance Association.

1-10 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-11 SECTION 1. Subdivision (9), Subsection (h), Section 8,
1-12 Article 21.49, Insurance Code, is amended to read as follows:

1-13 (9) A rate established and authorized by the
1-14 commissioner under this subsection may not reflect an average rate
1-15 change that is more than 10 percent higher or lower than the rate
1-16 for commercial or 10 percent higher or lower than the rate for
1-17 noncommercial windstorm and hail insurance in effect on the date
1-18 the filing is made. The rate may not reflect a rate change for an
1-19 individual rating class that is 15 percent higher or lower than the
1-20 rate for that individual class in effect on the date the filing is
1-21 made. The commissioner may, after notice and hearing, suspend this
1-22 subdivision upon a finding that a catastrophe loss or series of
1-23 occurrences resulting in losses in the catastrophe area justify a
1-24 need to assure rate adequacy in the catastrophe area and also
1-25 justify a need to assure availability of insurance outside the
1-26 catastrophe area. [~~This subdivision expires December 31, 2005.~~]

1-27 SECTION 2. This Act takes effect immediately if it receives
1-28 a vote of two-thirds of all the members elected to each house, as
1-29 provided by Section 39, Article III, Texas Constitution. If this
1-30 Act does not receive the vote necessary for immediate effect, this
1-31 Act takes effect September 1, 2003.

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