

By: Hunter

H.B. No. 3648

A BILL TO BE ENTITLED

AN ACT

1  
2 relating to the operation and funding of the Texas Windstorm  
3 Insurance Association; transfer of state revenue to the Catastrophe  
4 Reserve Trust Fund for excess losses caused by natural disasters.

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

6 SECTION 1. APPROPRIATIONS FOR EXCESS LOSSES CAUSED BY  
7 NATURAL DISASTERS TO BE TRANSFERRED TO THE CATASTROPHE RESERVE  
8 TRUST FUND. Pursuant to Section 2210.058, Insurance Code, in the  
9 event of an occurrence or series of occurrences of natural  
10 disasters in a catastrophe area that occur after the effective date  
11 of this Act during the state fiscal biennium that began September 1,  
12 2007 and the state fiscal biennium that ends August 31, 2011 that  
13 results in insured losses and operating expenses of the Texas  
14 Windstorm Insurance Association in excess of premium and other  
15 revenue of the association, the excess losses shall be paid from  
16 amounts appropriated out of the economic stabilization fund.

17 SECTION 2. AMOUNTS TO BE PAID INTO THE CATASTROPHE RESERVE  
18 TRUST FUND; ADDITIONAL LEGISLATIVE BUDGET BOARD APPROVAL. In the  
19 event that the conditions of Section 1 of this Act are established,  
20 there shall be an additional approval by the Legislative Budget  
21 Board, to transfer some or all of the appropriated funds from the  
22 economic stabilization fund into the Catastrophe Reserve Trust  
23 Fund, created in Subchapter J, Chapter 2210, Insurance Code.

24 SECTION 3. REQUIRED VOTE FOR ECONOMIC STABILIZATION FUND

1 APPROPRIATIONS. This Act takes effect only if this Act receives a  
2 two-thirds vote of the members present in each house as required by  
3 Section 49-g, Article III, Texas Constitution.

4 SECTION 4. This Act takes effect immediately if it receives  
5 a vote of two-thirds of all the members elected to each house, as  
6 provided by Section 39, Article III, Texas Constitution. If this  
7 Act does not receive the vote necessary for immediate effect, this  
8 Act takes effect on the 91st day after the last day of the  
9 legislative session.