

By: Bonnen of Brazoria

H.B. No. 3009

A BILL TO BE ENTITLED

AN ACT

relating to the use of assets of the Texas Windstorm Insurance Association.

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

SECTION 1. Sec. 2210.071. PAYMENT OF EXCESS LOSSES; PAYMENT FROM RESERVES AND TRUST FUND. (a) If, in a calendar [~~catastrophe~~] year, an occurrence or series of occurrences in a catastrophe area results in insured losses, including loss adjustment expenses, and operating expenses of the association in excess of premium and other revenue of the association, the excess losses, including loss adjustment expenses, and operating expenses shall be paid as provided by this subchapter.

(b) The association shall pay losses in excess of that calendar year's premium and other revenue of the association from available reserves of the association and available amounts in the catastrophe reserve trust fund.

(c) Losses not paid under Subsection (b) shall be paid from the proceeds from public securities issued in accordance with this subchapter and Subchapter M and, notwithstanding Subsection (a), may be paid from the proceeds of public securities issued under Section 2210.072(a) before an occurrence or series of occurrences that results in insured losses.

(d) If additional losses, including loss adjustment expenses, related to prior calendar years are recognized, the

1 current year's premium and other revenue must not be used to satisfy
2 the additional losses, including loss adjustment expenses.

3 SECTION 2. This Act takes effect immediately if it receives
4 a vote of two-thirds of all the members elected to each house, as
5 provided by Section 39, Article III, Texas Constitution. If this
6 Act does not receive the vote necessary for immediate effect, this
7 Act takes effect September 1, 2013.