By: Bonnen of Brazoria   H.B. No. 3010

A BILL TO BE ENTITLED

1   AN ACT

2 relating to the use of assets of the Texas Windstorm Insurance

3 Association.

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

5   SECTION 1. Sec. 2210.152. CONTENTS OF PLAN OF OPERATION.

6 (a) The plan of operation must:

7   (1) provide for the efficient, economical, fair, and

8 nondiscriminatory administration of the association, including

9 that current calendar year revenue must not be used to pay losses,

10 including loss adjustment expenses, that were incurred in prior

11 years; and

12   (2) include:

13   (A) a plan for the equitable assessment of the

14 members of the association to defray losses and expenses;

15   (B) underwriting standards;

16   (C) procedures for accepting and ceding

17 reinsurance;

18   (D) procedures for obtaining and repaying

19 amounts under any financial instruments authorized under this

20 chapter;

21   (E) procedures for determining the amount of

22 insurance to be provided to specific risks;

23   (F) time limits and procedures for processing

24 applications for insurance; and

1   (G)   other provisions as considered necessary by

2 the department to implement the purposes of this chapter.

3   (b)   The plan of operation may provide for liability limits

4 for an insured structure and for the corporeal movable property

5 located in the structure.

6   (c)   The plan of operation shall require the association to

7 use the claim settlement guidelines published by the commissioner

8 under Section 2210.578(f) in evaluating the extent to which a loss

9 to insured property is incurred as a result of wind, waves, tidal

10 surges, or rising waters not caused by waves or surges.

11   SECTION 2.   This Act takes effect immediately if it receives

12 a vote of two-thirds of all the members elected to each house, as

13 provided by Section 39, Article III, Texas Constitution. If this

14 Act does not receive the vote necessary for immediate effect, this

15 Act takes effect September 1, 2013.