

Amend CSSB 900 (house committee printing) by inserting the following appropriately numbered SECTIONS and renumbering SECTIONS of the bill appropriately:

SECTION \_\_\_\_\_. Subchapter B-1, Chapter 2210, Insurance Code, is amended by adding Section 2210.077 to read as follows:

Sec. 2210.077. PAYMENT OF LOSSES IN THE EVENT OF INSUFFICIENT FUNDS. The board shall prepare a plan to pay insured losses of the association on a pro rata basis if the association's resources are insufficient to pay all claims in full.

SECTION \_\_\_\_\_. Subchapter E, Chapter 2210, Insurance Code, is amended by adding Section 2210.2035 to read as follows:

Sec. 2210.2035. DISCLOSURE TO POLICYHOLDERS. On the issuance of new or renewal coverage, the association shall provide each policyholder a disclosure:

(1) of the association's financial condition, including, as of the end of the preceding calendar year:

(A) the balance of the catastrophe reserve trust fund;

(B) the amount of reinsurance and alternative risk financing available to the association; and

(C) the association's probable maximum loss for a catastrophe year with a probability of one in 100;

(2) that the Texas Property and Casualty Insurance Guaranty Association does not protect association policies;

(3) that the state is not required to pay any insured losses of the association; and

(4) that all insured losses of the association may not be fully paid, together with a brief summary of how available resources will be allocated pursuant to Section 2210.077.

SECTION \_\_\_\_\_. Section 2210.2035, Insurance Code, as added by this Act, applies only to a policy delivered, issued for delivery, or renewed on or after September 1, 2015.