By:  Middleton, et al. (Senate Sponsor - Taylor) H.B. No. 769

(In the Senate - Received from the House May 3, 2021; May 13, 2021, read first time and referred to Committee on Natural Resources & Economic Development; May 19, 2021, rereferred to Committee on Jurisprudence; May 22, 2021, reported adversely, with favorable Committee Substitute by the following vote: Yeas 5, Nays 0; May 22, 2021, sent to printer.)

COMMITTEE VOTE

                    Yea Nay Absent  PNV

Huffman           X

Hinojosa             X

Creighton            X

Hughes               X

Johnson              X

COMMITTEE SUBSTITUTE FOR H.B. No. 769 By:  Hinojosa

A BILL TO BE ENTITLED

AN ACT

relating to the administration of the Texas Windstorm Insurance Association.

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

SECTION 1.  Subchapter H, Chapter 2210, Insurance Code, is amended by adding Section 2210.3512 to read as follows:

Sec. 2210.3512.  REQUIREMENT FOR VOTE ON RATE FILING. The board of directors may not vote on a proposed rate filing if there is a vacancy on the board.

SECTION 2.  The heading to Section 2210.453, Insurance Code, is amended to read as follows:

Sec. 2210.453.  FUNDING LEVELS; REINSURANCE AND ALTERNATIVE RISK FINANCING MECHANISMS; REINSURANCE FROM CERTAIN INSURER OR BROKER PROHIBITED.

SECTION 3.  Section 2210.453, Insurance Code, is amended by adding Subsection (f) to read as follows:

(f)  The association may not purchase reinsurance under this section from an insurer or broker involved in the execution of a catastrophe model on which the association relies in:

(1)  determining the probable maximum loss applicable for the period covered by the reinsurance; or

(2)  adopting rates under Section 2210.355.

SECTION 4.  The Texas Department of Insurance shall amend the Texas Windstorm Insurance Association's plan of operation to conform to the changes in law made by this Act not later than the 60th day after the effective date of this Act.

SECTION 5.  This Act takes effect September 1, 2021.

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