

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 increase if:

(1) there is a vacancy on the board; and

(2) the vacancy has existed for at least 60 days at the time the vote is to be taken.

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.

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

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

President of the Senate

Speaker of the House

I certify that H.B. No. 769 was passed by the House on April 30, 2021, by the following vote: Yeas 120, Nays 9, 1 present, not voting; and that the House concurred in Senate amendments to H.B. No. 769 on May 29, 2021, by the following vote: Yeas 127, Nays 14, 1 present, not voting.

Chief Clerk of the House

I certify that H.B. No. 769 was passed by the Senate, with amendments, on May 25, 2021, by the following vote: Yeas 22, Nays 9.

Secretary of the Senate

APPROVED: _____

Date

Governor