

## WINDSTORM INSURANCE LEGISLATIVE OVERSIGHT BOARD

WRITTEN TESTIMONY November 3, 2011

Respectfully Submitted by Coastal Windstorm Insurance Coalition

Coastal Windstorm Insurance Coalition [CWIC] appreciates this opportunity to state its position on behalf of Texas Windstorm Insurance Association [TWIA] policy holders, and the many potential *additional* TWIA policy holders in the 14+ County Catastrophe Area presently served by TWIA.

CWIC states clearly for the record that Texans and Texas businesses in the Texas Coastal Counties are presently victims of the disadvantages of:

- Unfair discrimination in the form of withdrawal by *admitted*, 'for profit', insurers of their policies insuring against loss from the perils of windstorm and hail from all or parts of the Catastrophe Area, based on geographic underwriting; and
- As a result, the only available replacement source of windstorm and hail policies, known as TWIA, and described in Chapter 2210 Insurance Code, as amended.

CWIC urges this Windstorm Insurance Legislative Oversight Board [WILOB], acting independently or in combination with the Legislative Interim Study Committee [LISC] provided in HB 3, 82<sup>nd</sup> Legislature, 1<sup>st</sup> Special Session, to strongly recommend the following statutory changes when the 83<sup>rd</sup> Texas Legislature convenes in 2013:

- Requiring all admitted property insurance carriers to provide windstorm and hail coverage in the 28 County Seacoast Territory, as provided by SB 44, 1<sup>st</sup> Special Session of the 82<sup>nd</sup> Legislature
- Enacting a no-state-cost Texas Reinsurance Facility such as that provided in HB 2487, 81<sup>st</sup> Legislature.
- Restore those TWIA actuarial rate development provisions which were in Chapter 2210 of the Texas Insurance Code before June 19, 2009.
- Restore TWIA policyholders to be equal to the rights of property insurance policy holders in the rest of this great state of Texas.
- Restore TWIA claims funding resources to those in the law before June 19, 2009, —omitting state tax credit provisions.

CWIC looks forward to working with WILOB members and staff to provide the underlying basis for the above requests, details and proposed solutions to these and other concerns.

Coastal Windstorm Insurance Coalition, Lee Otis Zapp, Jr., Vice Chair  
4800 Seawall Boulevard, Galveston, TX 77551, 409-744-6655 [otie4805@sbcglobal.net](mailto:otie4805@sbcglobal.net)