



Texas Department of Insurance

Commissioner of Insurance, Mail Code 113-1C
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TO: ALL INSURANCE COMPANIES CORPORATIONS, EXCHANGES, MUTUALS, RECIPROCALLS, ASSOCIATIONS, LLOYDS, OR OTHER INSURERS WRITING PROPERTY AND CASUALTY INSURANCE IN THE STATE OF TEXAS AND TO AGENTS AND REPRESENTATIVES AND THE PUBLIC GENERALLY

RE: Agent Duties and Responsibilities for Submitting Texas Windstorm Insurance Association Applications and Premiums

The Department has received numerous inquiries and complaints after Hurricane Ike relating to the failure of agents to timely forward applications and premium to the Texas Windstorm Insurance Association (TWIA). The process for submitting insurance applications and renewals is governed by Chapter 2210 of the Texas Insurance Code and the TWIA Plan of Operation, Title 28, Texas Administrative Code (TAC) §5.4001. It is the agent's duty and responsibility to comply with the application submission process. The purpose of this bulletin is to remind agents of their duty and responsibility to promptly, timely and properly submit a new or renewal application, including premium, to TWIA.

Understanding the difference in procedures for effecting coverage through TWIA and voluntary market insurers is essential for an agent to ensure that applicants have proper coverage in place. The application submission process can be especially critical during hurricane season. TWIA will provide coverage only after the application, all required documentation, and the full premium is received by TWIA or forwarded to TWIA in accordance with the procedures as outlined in its Plan of Operation. Please note that information will be provided in the near future concerning additional required documentation under House Bill 4409 recently enacted by the 81st Texas Legislature. You may access House Bill 4409 at <http://www.legis.state.tx.us/>.

It is the duty and responsibility of each agent to understand and follow the TWIA application process set forth in Title 28, TAC §5.4001 in order for the desired coverage to be effective. Subsection 5.4001 (d)(E)(ii) provides specific criteria and methods for mailing applications to TWIA prior to a hurricane forming in or entering the Gulf of Mexico. If you have questions, you may contact TWIA at 512-899-4900 or access the TWIA website at <http://www.twia.org/>.

Agents who do not promptly and properly submit TWIA applications and premiums received may be subject to a civil lawsuit for damages by aggrieved parties or to disciplinary action by the Department. If you have questions about this bulletin, contact David Nardecchia, Personal and Commercial Lines Division at 512-305-7544.

A handwritten signature in black ink that reads "Mike Geeslin". The signature is written in a cursive, flowing style.

Mike Geeslin
Commissioner of Insurance