



TEXAS WINDSTORM  
INSURANCE ASSOCIATION

# Texas Windstorm Insurance Association

---

## Media Kit

April 2025

## **This media kit includes data and information as of Q1 2025**

*Reporters may contact Texas Windstorm Insurance Association (TWIA)  
Media Relations for more information.*

*Aaron Taylor, Media Liaison & External Affairs Lead  
Anna Stafford, Senior Legislative & External Affairs Manager*

*[MediaRelations@twia.org](mailto:MediaRelations@twia.org) or (512) 505-2299.*



# What is TWIA?

- **Established by Texas Legislature in 1971**
  - In response to market constrictions on Texas coast after several hurricanes
  - TWIA's governing statute is Texas Insurance Code, Chapter 2210
  - Regulated by the Texas Department of Insurance (TDI)
- **Residual Market Insurer – Market of Last Resort**
  - Provide adequate market for wind and hail insurance on the Texas coast
  - Do not compete with the private insurance market
  - Provide coverage to those who are unable to obtain it in the private market
  - All property insurers authorized to write property insurance in Texas are members of TWIA
- **Operate as a Not-for-Profit Insurance Company**
  - Collect premiums, issue policies, pay claims
  - Annually deposit net gains into Catastrophe Reserve Trust Fund (CRTF)
  - Do not receive Texas General Revenue funds
  - Not a state agency



# TWIA Coverage Area and Eligibility



## Eligibility Requirements

1. Properties must be located in the area designated by the Commissioner of Insurance
  - Includes the 14 first tier coastal counties and a portion of Harris County east of Hwy. 146
2. Applicants must have been denied coverage by at least 1 private market insurer writing windstorm coverage in the first tier
3. Policyholders may be required to purchase flood insurance
4. Properties must comply with certain windstorm building code requirements
5. Properties must be in an insurable condition.



# TWIA and Insurance Agents

- **TWIA does not employ or contract with insurance agents**
  - Any TDI licensed property and casualty insurance agent may register with TWIA
- **Agents submit policy applications to TWIA for their clients**
  - Represent the policyholder in policy transactions
  - Handle policyholders' coverage questions and policy changes
- **Agent commissions**
  - 16% commission on residential and commercial policies
  - 12% commission on manufactured home policies



# TWIA Board of Directors

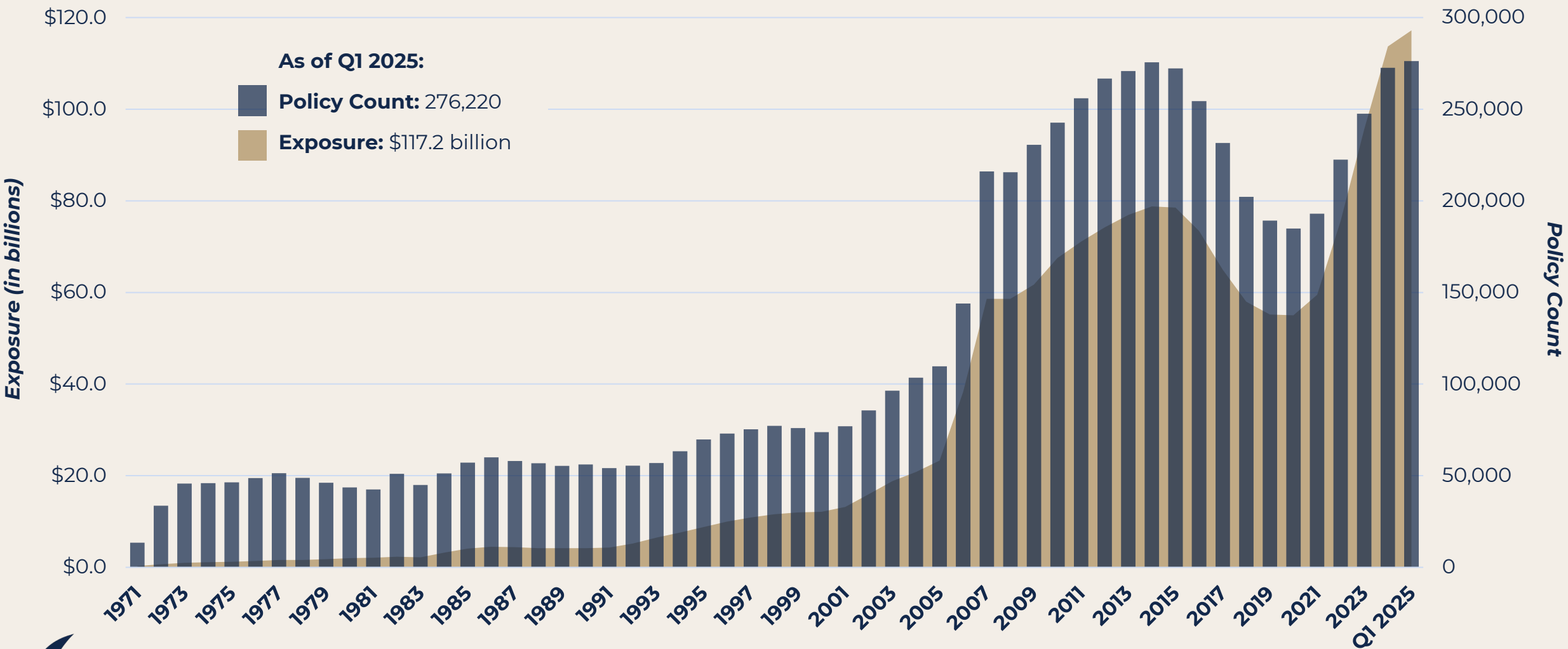
Name	Member Representation
<b>Karen Guard</b> <i>Secretary-Treasurer</i>	Insurance Industry Representative
<b>Tim Garrett</b>	Non Seacoast Territory Representative
<b>Peggy Gonzalez</b>	First-Tier Coastal Representative
<b>Esther Grossman</b>	Insurance Industry Representative
<b>Greg Smith</b>	First-Tier Coastal Representative
<b>Vacant</b>	First-Tier Coastal Representative
<b>Vacant</b>	Insurance Industry Representative
<b>Vacant</b>	Non Seacoast Territory Representative
<b>Vacant</b>	Non Seacoast Territory Representative

*\* Chair & Vice-Chair positions are vacant*

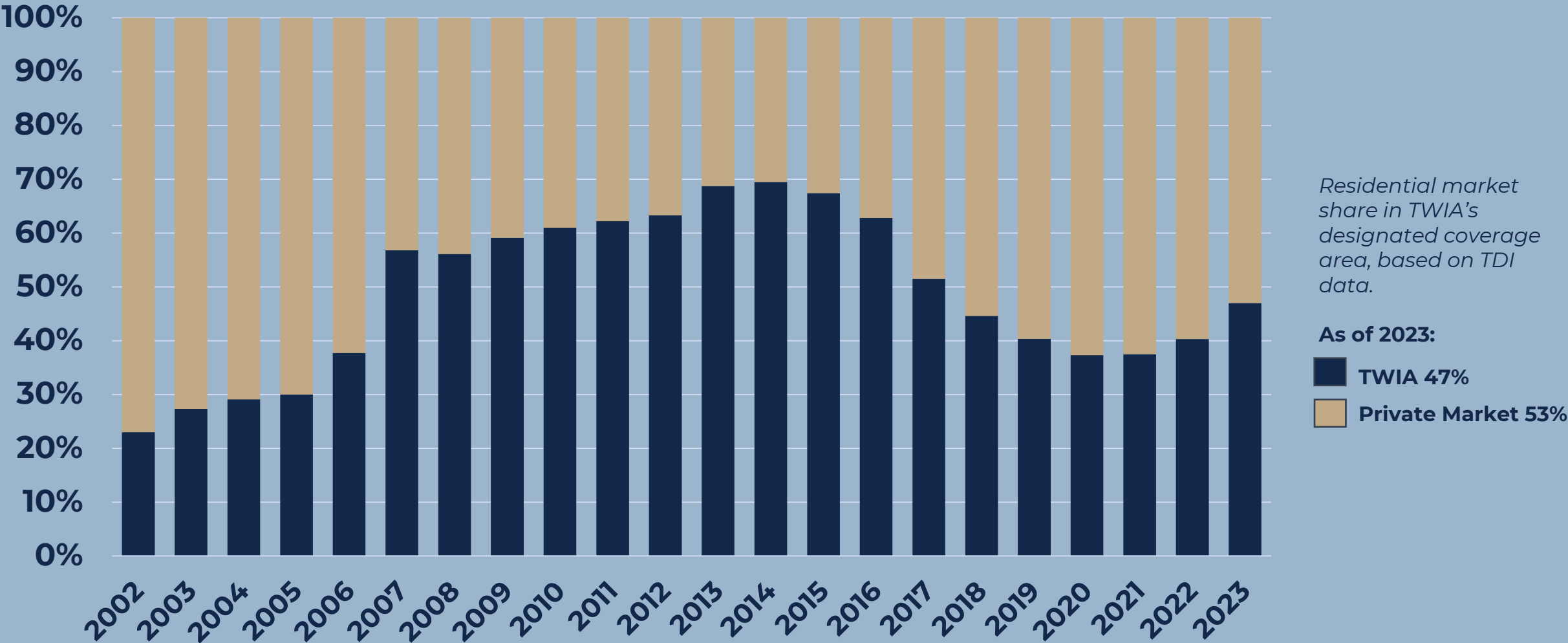
- **TWIA is governed by a nine-member, volunteer Board of Directors appointed by the Commissioner of Insurance.**
- **The TWIA Board must include:**
  - Three public members residing in the first-tier coastal counties and representing certain regions of the catastrophe area;
  - Three non-coastal representatives residing more than 100 miles from the coast; and
  - Three industry representatives actively writing and renewing windstorm and hail insurance in the first-tier coastal counties.
- **All Board members must have demonstrated experience in insurance, general business, or actuarial principles sufficient to make the success of the Association probable.**



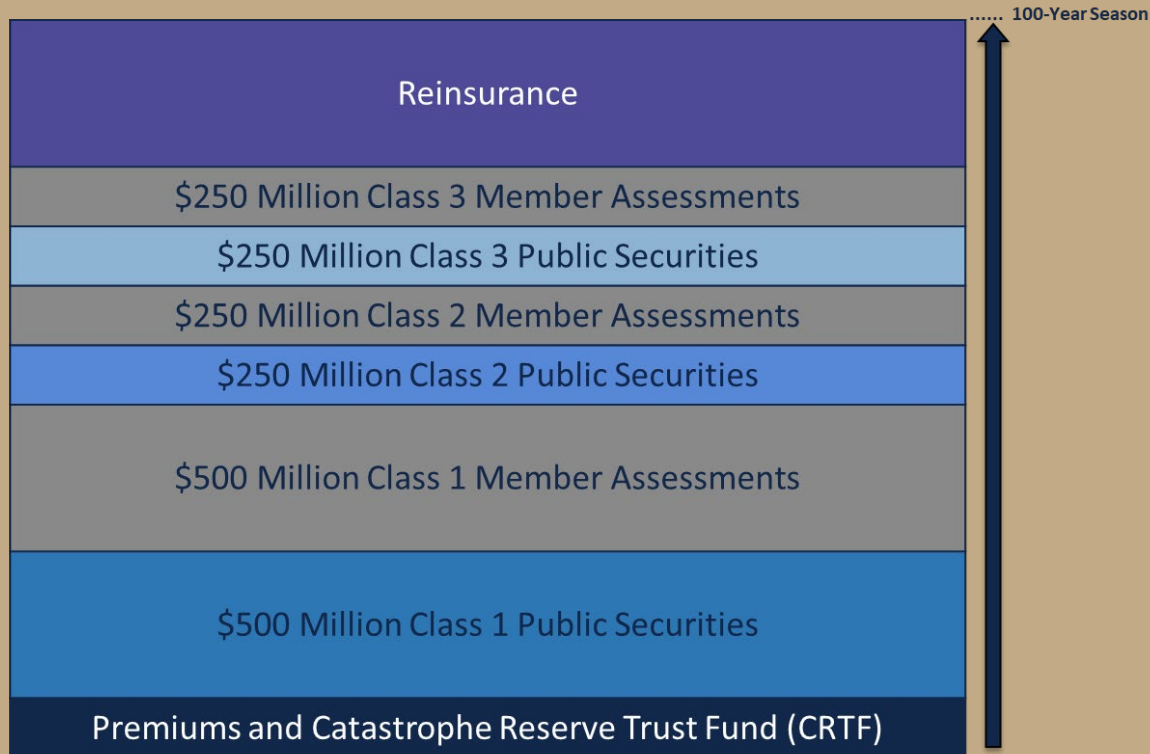
# Historical Policy Count and Exposure



# Market Share: TWIA vs. Private Market



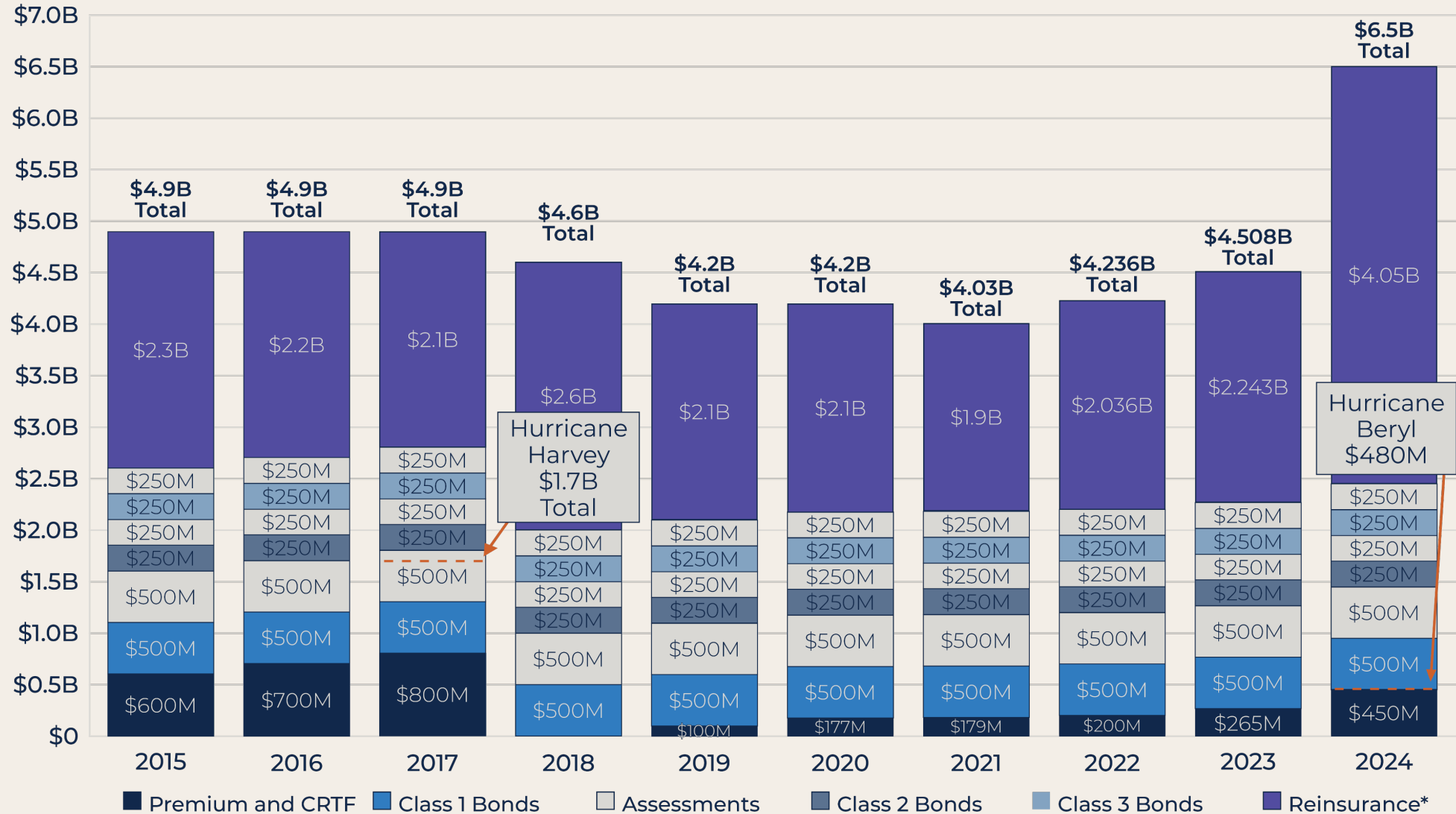




## Statutory Funding Structure

- TWIA's catastrophe funding structure is set by state law.
- Provides funds to pay claims and related expenses after major storm(s), not routine claims and operating expenses.
- Total annual funding must equal, at a minimum, the estimated cost to cover a 100-year (1% chance of occurrence) storm season.
- Funding sources and order:
  - **Premium and Other Revenue:** Premiums collected in the normal course of business
  - **Catastrophe Reserve Trust Fund:** Account maintained by the Texas Comptroller for TWIA to save funds for future catastrophe claims.
  - **Public Securities:** TWIA may issue bonds to borrow money from private capital markets to pay claims.
  - **Member Assessments:** TWIA may charge assessments to Texas private-market property insurers to pay claims.
  - **Reinsurance:** A type of insurance used by insurance companies to ensure money is available to honor claim payments when catastrophic losses exceed current funds.

# Historical Catastrophe Funding



\* TWIA has not used reinsurance to cover storm losses since Hurricane Ike in 2008



# TWIA Rates

- TWIA rates determine the amount of premium charged to each TWIA policyholder. Adequate rates help ensure TWIA can meet its financial obligations.
  - Average Residential Premium: \$2,387.
- By law, TWIA rates must be reasonable, adequate, not unfairly discriminatory, and non-confiscatory as to any class of insurer.
  - Texas Insurance Code requires that all insurance carriers' rates must be "fair" and "just."
- TWIA must make an annual rate filing with TDI by August 15 each year.
- All filings for a rate increase are subject to review/approval by the Insurance Commissioner.

## Procedural Requirements for TWIA Rate Filings

- 2/3 Board vote required to file a rate increase.
- The Board may not vote on a **proposed** rate increase if there is a Board vacancy for 60 or more days.
- Rate adequacy analyses considered by the Board must be posted to TWIA's website 14 days prior to the Board's rate filing vote.
- Public comment must be accepted prior to the Board's vote.
  - Public comment may be verbal or written.

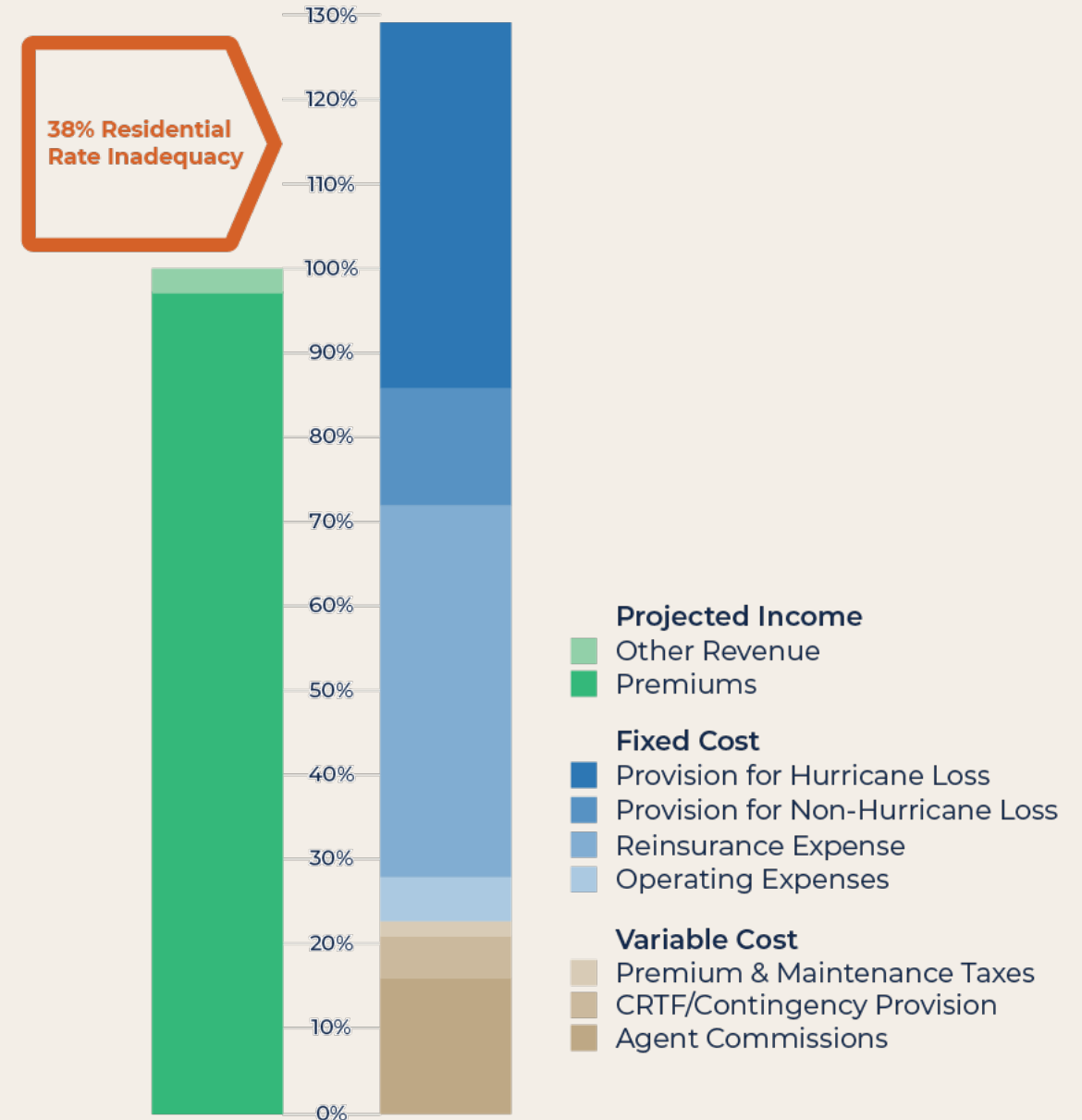


## Recent TWIA Rate Activity

- TWIA's 2024 Rate Adequacy Analysis indicates that TWIA's current rates are inadequate by 38 percent for residential coverage and 45 percent for commercial coverage.
- At its August 2024 meeting, the TWIA Board of Directors voted to direct staff to file a 10% rate change with the Texas Department of Insurance.
- The Insurance Commissioner found that the rate filing met the criteria set forth in Chapter 2210, TWIA's governing statute, but she held that the rate filing did not meet the "fair" and "just" requirements of Insurance Code § 560.002.

## Residential Rate Components and TWIA Income

Based on 2024 TWIA Rate Adequacy Analysis



# TWIA Rate Filing History (2017 to 2024)

Year*	Rate Inadequacy	Rate Change Filed by TWIA**	Rate Filing Outcome
2017	Residential 30% Commercial 28%	+5%	Rate increase implemented. Insurance Commissioner approval not required.***
2018	Residential 33% Commercial 37%	+10% (Not Implemented)	<b>The governor suspended TDI's consideration of TWIA's rate filing</b> under emergency authority related to Hurricane Harvey. TWIA subsequently withdrew the filing.
2019	Residential 42% Commercial 50%	0%	No rate change. Insurance Commissioner approval not required.
2020	Residential 44% Commercial 49%	+5% (Not Implemented)	TWIA made a 0% rate filing in its annual August filing while an outside consultant reviewed TWIA's rate adequacy. In December, following the study, TWIA made a filing for a +5% rate increase to go into effect in April 2021. <b>TDI rejected the December filing</b> on the grounds that it did not meet certain statutory requirements.
2021	Residential 39% Commercial 46%	+5%	Rate increase implemented. Insurance Commissioner approval not required.***
2022	Residential 15% Commercial 11%	0%	No rate change. Insurance Commissioner approval not required.
2023	Residential 20% Commercial 22%	0%	No rate change. Insurance Commissioner approval not required.
2024	Residential 38% Commercial 45%	+10% (Not Implemented)	<b>Rate increase disapproved</b> by Insurance Commissioner.

\* Except where otherwise noted, filing is in August of the indicated year for rates to be implemented January 1 of the following year.

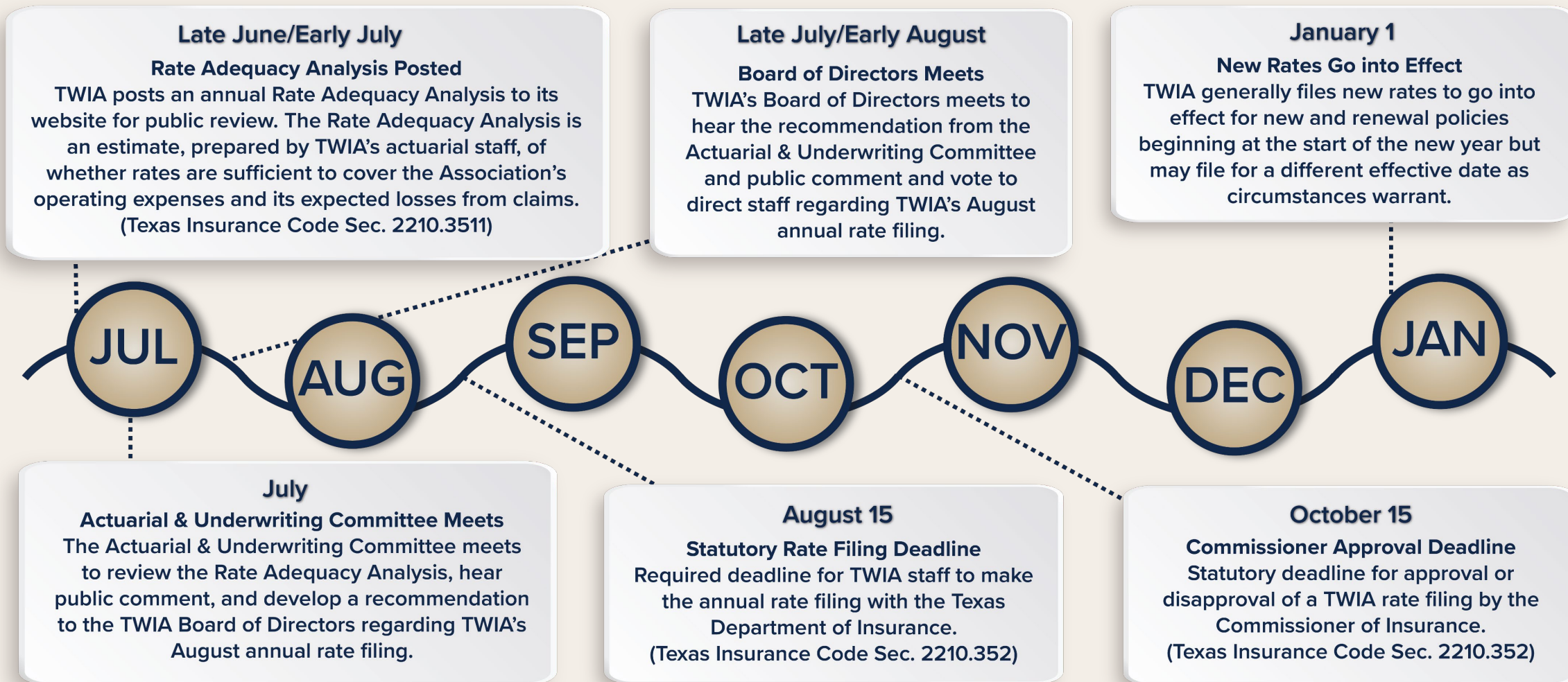
\*\* TWIA makes separate filings for residential and commercial rates. During the years displayed, TWIA made filings for identical changes in rates for residential and commercial policies.

\*\*\* At the time of this filing, statute allowed for a rate increase of up to 5% to be used without Insurance Commissioner approval.





# Annual Rate Filing Process



# Association Logos



[Link](#)



[Link](#)



[Link](#)



[Link](#)



TEXAS WINDSTORM  
INSURANCE ASSOCIATION

[Link](#)



TEXAS WINDSTORM  
INSURANCE ASSOCIATION

[Link](#)



TEXAS WINDSTORM  
INSURANCE ASSOCIATION

[Link](#)



[Link](#)

*Click the links to download a .png file of each logo version.  
For logos in other formats, contact [MediaRelations@twia.org](mailto:MediaRelations@twia.org).*



# More Resources

**Announcements:** *Press releases and other news.*

<https://www.twia.org/category/news-and-announcements/>

**Coverage & Eligibility:** *TWIA coverage types and requirements.*

<https://www.twia.org/coverage-eligibility/>

**Recovery:** *Filing a claim after a storm damages covered property.*

<https://www.twia.org/recovery/>

**Board Meetings:** *Meeting materials, video recordings, public comments.*

<https://www.twia.org/about-us/board-of-directors/archived-meetings/>

**Rates:** *Premiums, statutory requirements, rate adequacy, rate history.*

<https://www.twia.org/rates/>

**Catastrophe Funding:** *How TWIA funds claim payments after a major hurricane.*

<https://www.twia.org/about-us/funding-101/>

**Legal Authority:** *Statute and Plan of Operation.*

[Chapter 2210, Texas Insurance Code](#)

[Texas Administrative Code](#)

 **.com/TWIA\_TX**

