



FOR IMMEDIATE RELEASE
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TEAM EFFORT WINS THE DAY FOR THE COAST
SEN. LARRY TAYLOR AND REP. GREG BONNEN PASS TWIA REFORM LEGISLATION

AUSTIN, TEXAS (May 28, 2015)... Today, Senator Larry Taylor (R-Friendswood) and Representative Greg Bonnen (R-Friendswood) successfully passed Senate Bill 900, the Texas Windstorm Insurance Association (TWIA) reform legislation.

"Today is a victory for every single hardworking Texan living on the coast," said Sen. Taylor. "My coastal colleagues were united in our effort to ensure that our constituents continue to have access to affordable and available windstorm coverage. "I've said all along, a strong coast makes for a strong Texas."

Sen. Taylor joined his coastal colleagues in the lower chamber to assist in the passage of SB 900. A unified effort among coastal legislators and their inland counterparts that stood with the coast were able to thwart amendments that would have negatively impacted the windstorm program. The Senate received the bill amended by the House and Sen. Taylor concurred with those amendments to send the bill to Governor Greg Abbott's desk to become law.

"Senate Bill 900 makes great strides toward reforming TWIA," said State Representative Greg Bonnen. "This bill is good for Texas and all Texans. It shores up the funding structure, demands that the Association be prepared to cover the loss of a 1 in 100 year storm, and provides for no clear majority of interests in the Board of Directors. These changes will make the Association's fund sound, require board decisions to be made as a result of true deliberation, and ensure that coastal protection is not subjected to the arbitrary interest of the insurance industry."

"This is great legislation for the Coast of Texas and will help the entire state address the windstorm issue," said Rep. Todd Hunter. The results will be effective and efficient."

Senate Bill 900 improves the Association's funding structure by carefully balancing coastal policyholder and insurance company participation. The bill requires the Association to meet a 1 in 100 year probable maximum loss to ensure claims are paid in the aftermath of a major catastrophe. Senate Bill 900 also amends the Association's board of directors to ensure all stakeholders have equal representation. The bill keeps a 9-member board but goes from a 5-4 industry/coastal representation, and instead goes to a 3-3-3 industry/coastal/ inland representation composition. Finally, Senate Bill 900 gives the Texas Department of Insurance Commissioner the authority to privatize the Association's management if the Commissioner determines it is in the best interest of policyholders and the public.

"Galveston's Coastal Windstorm Insurance Coalition stands proud that the Coast has such strong, persistent, indomitable representation in Austin as Senators Larry Taylor, Chuy Hinojosa and Representatives Dr. Greg

Bonnen, Dennis Bonnen, Wayne Faircloth, and Todd Hunter, who led the entire Coastal Delegation in passing CSSB 900 to improve windstorm insurance for Coastal residents and businesses, in a way balanced fairly with Texans statewide," said Otie Zapp, CWIC Chairman.

"We are grateful for the hard work of Sen. Larry Taylor, Rep. Greg Bonnen, Rep. Todd Hunter and our legislative delegation representing Jefferson County; Representatives Dade Phelan and Joe Deshotel, and Sen. Brandon Creighton. More importantly, for the support of Legislators from across the entire state who recognized the value of the coast toward the Texas economy and the need to address one of our biggest challenges; windstorm insurance," said Jim Rich, President of the Greater Beaumont Chamber of Commerce. The wind blows all across Texas and we need an insurance market that works for all Texans."

Other major windstorm legislation, known as the "Windstorm Waiver Program" under SB 498 by Sen. Larry Taylor and Rep. Dennis Bonnen, passed the Texas Legislature earlier this session. SB 498 ensured the program to provide windstorm coverage for a residential TWIA policyholder did not expire at the end of this year. Without this legislation, over 40,000 TWIA policies would have been non-renewed and left without windstorm coverage. SB 498 successfully removed the expiration date and continued the program indefinitely.

Sen. Larry Taylor represents Senate District 11, comprised of parts of Brazoria, Galveston, and Harris Counties. Before his election to the Texas Senate in 2012, Sen. Taylor served five terms in the Texas House of Representatives. Sen. Taylor is Chairman of the Senate Education Committee and a member of the Business & Commerce, Finance and Intergovernmental Relations Committees.

<http://www.senate.state.tx.us/75r/senate/members/dist11/dist11.htm>

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