



**Texas Department  
of Insurance**

# **Texas Windstorm Insurance Association Overview**

**Prepared by Texas Department of Insurance**

**February 26, 2026**

**For Quarter Ending December 31, 2025**

# Table of Contents

	<b>Page</b>
<b>Background</b>	
Creation and purpose	5
Legislative updates	6
Coverage area	13
Direct insurance in force by county	15
Member insurers	16
Loss payment	16
Assessment history	17
<b>Hurricane Information</b>	
Historical hurricanes 1900-present	19
Notable hurricanes since 2005	20
<b>Eligibility</b>	
Requirements	26
Inspection process regulations	27
Certain noncompliant structures	29

# Table of Contents

	<b>Page</b>
<b>Building Code Credits</b>	
Qualification	31
Available discounts	32
<b>Windstorm Inspection Program</b>	
Overview	33
Windstorm resistant construction building code	34
<b>Operations</b>	
Board of directors	36
Maximum limits of liability	37
Policy forms, endorsements, and manual rule filings	38
Deductible options	38
<b>Rates</b>	
Annual rate filings	39
Other rate filings	40
File and use	40
Prior approval	40
Rate change history	41

# Table of Contents

	<b>Page</b>
<b>Statistical Information</b>	
Exposures, policies, and premiums written	42
Direct liability in force	43
Residential market share by county	44
<b>Funding of Excess Losses</b>	
Overview	45
Public securities	46
Coastal surcharges	46
Current funding chart	47
Member insurer assessments	48
Catastrophe reserve trust fund (CRTF)	49
CRTF balance history	50

# Background

## Texas Windstorm Insurance Association (TWIA)

### Creation and purpose

- The Texas Legislature created TWIA in 1971 to provide windstorm and hail coverage to those who are unable to obtain insurance from the voluntary insurance market (Texas Insurance Code Chapter 2210).
- Until 1997, TWIA was known as the Texas Catastrophe Property Insurance Association.
- TWIA was created in response to market conditions along the coast, after Corpus Christi was hit by Hurricane Celia in 1970, causing \$500 million in losses.
- The public policy reasons for creating TWIA included ensuring the availability of insurance along the Texas Gulf Coast and supporting general economic development of our coastal area and the State of Texas.

# Background

## Legislative updates

The 81st and 82nd Texas Legislatures enacted House Bill 4409 (HB 4409) and House Bill 3, which included changes to the board composition, funding structure, eligibility requirements, claims processes, and transparency in operations.

The 83rd Texas Legislature enacted Senate Bill 1702, which modified eligibility requirements for certain residential structures.

The 84th Texas Legislature enacted:

- SB 900, which includes changes to TWIA's funding structure and board composition, requires TWIA to establish a depopulation program, and requires TDI to conduct a biennial study of market incentives.
- SB 498 which indefinitely extends the time in which TWIA may provide coverage for certain noncompliant residential structures.

# Background

## Legislative updates

The 86th Texas Legislature enacted:

- HB 1900, which:
  - Extends some claims handling deadlines.
  - Describes how losses above premium and other revenue will be paid.
  - Requires TWIA to publicize its rate adequacy analysis.
  - Requires member assessments to pay for any reinsurance that TWIA purchases in excess of TWIA's statutory minimum funding level.
  - Transfers windstorm certifications for completed construction back to TDI.
  - Creates a funding and funding structure legislative oversight board.
- HB 1902, which provides that TWIA's maximum liability limits filing is approved unless the Commissioner disapproves or modifies it within 30 days.
- HB 1944, which changed the extension of claim-related deadlines under Subch. L-1, Ch. 2210 (claim-handling and disputes) to provide more flexibility to TDI to extend deadlines for consumers.

# Background

## Legislative updates

- SB 615, which enacted several recommendations from the Sunset Advisory Committee including:
  - Authorizes supplemental payments on claims.
  - Requires TWIA to:
    - Establish procedures for automatic renewal of policies.
    - Provide for installment and credit card payments.
    - Set replacement cost at policy inception.
    - To publicly disclose rate adequacy analysis.
  - Transfers windstorm certifications for completed construction back to TDI.
  - Revises timing of the assumption reinsurance depopulation program.
  - Sets procedures for handling TWIA rule proposals.
  - Requires board training and conflict of interest disclosures.
- HB 1940, which allows eligible surplus lines insurers to provide windstorm and hail insurance regardless of availability through TWIA.

# Background

## Legislative updates

The 87th Texas Legislature enacted:

- HB 769, which prohibits:
  - The TWIA Board from voting on a proposed rate increase when a board seat has been vacant for 60 days or more.
  - TWIA from purchasing reinsurance from an insurer or broker that is involved in the execution of a catastrophe model that TWIA relies on to estimate its probable maximum loss or uses to support its rates.
- SB 1448, which:
  - Makes filings for a rate increase subject to prior approval by the Commissioner.
  - Requires a 2/3 vote by the TWIA Board before TWIA may file a rate increase.
  - Extended the time for the Windstorm Insurance Legislative Oversight Board to complete a funding study and a TWIA and FAIR Plan merger study. However, the studies were not completed.

# Background

## Legislative updates

- HB 3564 (effective June 14, 2021) prohibits TDI from rescinding a certificate of compliance ([WPI-8](#)).
- HB 2920 (effective September 1, 2021) requires TDI to adopt rules establishing a premium payment grace period for TWIA renewal policies. TDI adopted a 10-day grace period in 28 TAC 5.4906.

# Background

## Legislative updates

The 88th Texas Legislature enacted:

- HB 3208 (effective Sept. 1, 2023) provides that TWIA may only refund unearned premium in limited circumstances.
- HB 3310 requires TDI to adopt rules establishing the period in which appraisal must be completed. Applies to appraisals demanded on or after January 1, 2024.
- HB 3311 (effective Sept. 1, 2023) removes the requirement that insurers nominate people to fill insurer seats on TWIA's board of directors.
- SB 2232 (effective Sept. 1, 2023) gives TWIA authority to set requirements for agents that sell TWIA policies.
- SB 2233 (effective Sept. 1, 2023) removes the requirement that TWIA must have a process for automatic renewal of commercial policies.

# Background

## Legislative updates

The 89th Texas Legislature enacted:

- HB 3689 (effective Sept. 1, 2025) changes TWIA's funding structure beginning in 2026, including:
  - Adds a state-funded financing arrangement repaid by statewide catastrophe surcharges.
  - Reduces TWIA's required funding level to a probable maximum loss (PML) for a catastrophe year with a 1-in-50 probability, as opposed to a 1-in-100 probability.
  - Removes public securities from TWIA's funding structure.
- HB 2517 (effective Sept. 1, 2025) exempts TWIA from premium and maintenance taxes.
- HB 2518 (effective Sept. 1, 2025) prohibits premium financing on TWIA policies because TWIA offers installment payment plans.
- HB 2213 (effective Sept. 1, 2025) changes TWIA board member requirements, including:
  - Industry representatives must reside in Texas, and their companies must actively write or sell windstorm and hail insurance in first tier coastal counties.
  - Inland members must reside outside TWIA's catastrophe area, as opposed to at least 100 miles from the coast.
  - At least one first-tier coastal county member must be an agent who actively offers or sells TWIA policies.

# Background

## Coverage area

- **First-tier coastal counties**

TWIA provides windstorm and hail insurance in areas exposed to hurricanes and currently provides windstorm and hail coverage in the following 14 “first-tier” Texas coastal counties:

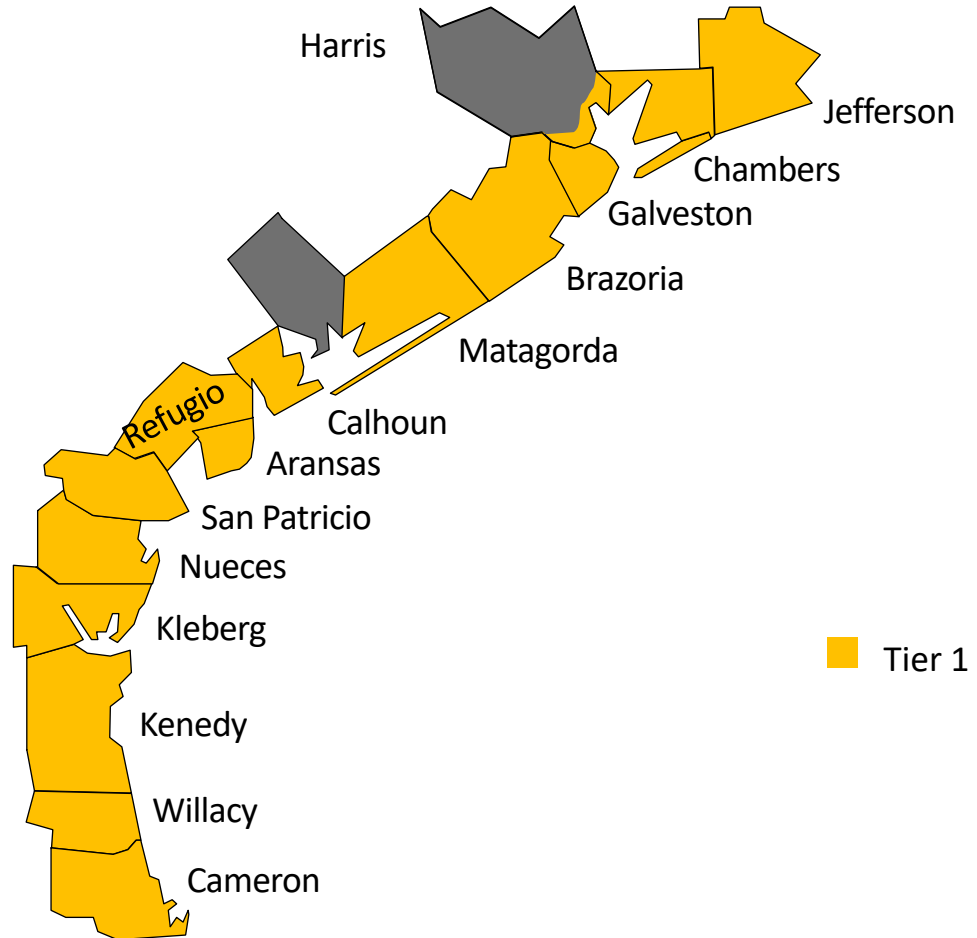
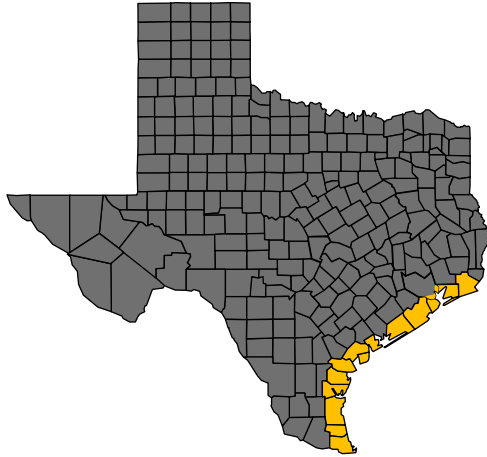
- Aransas
- Brazoria
- Calhoun
- Cameron
- Chambers
- Galveston
- Jefferson
- Kenedy
- Kleberg
- Matagorda
- Nueces
- Refugio
- San Patricio
- Willacy

- **Portions of Harris county**

TWIA also provides windstorm and hail coverage for risks that are east of State Highway 146 and located in the city limits of certain specifically designated communities in Harris County. These communities are Pasadena, Morgan’s Point, Shoreacres, Seabrook, and La Porte.

# Background

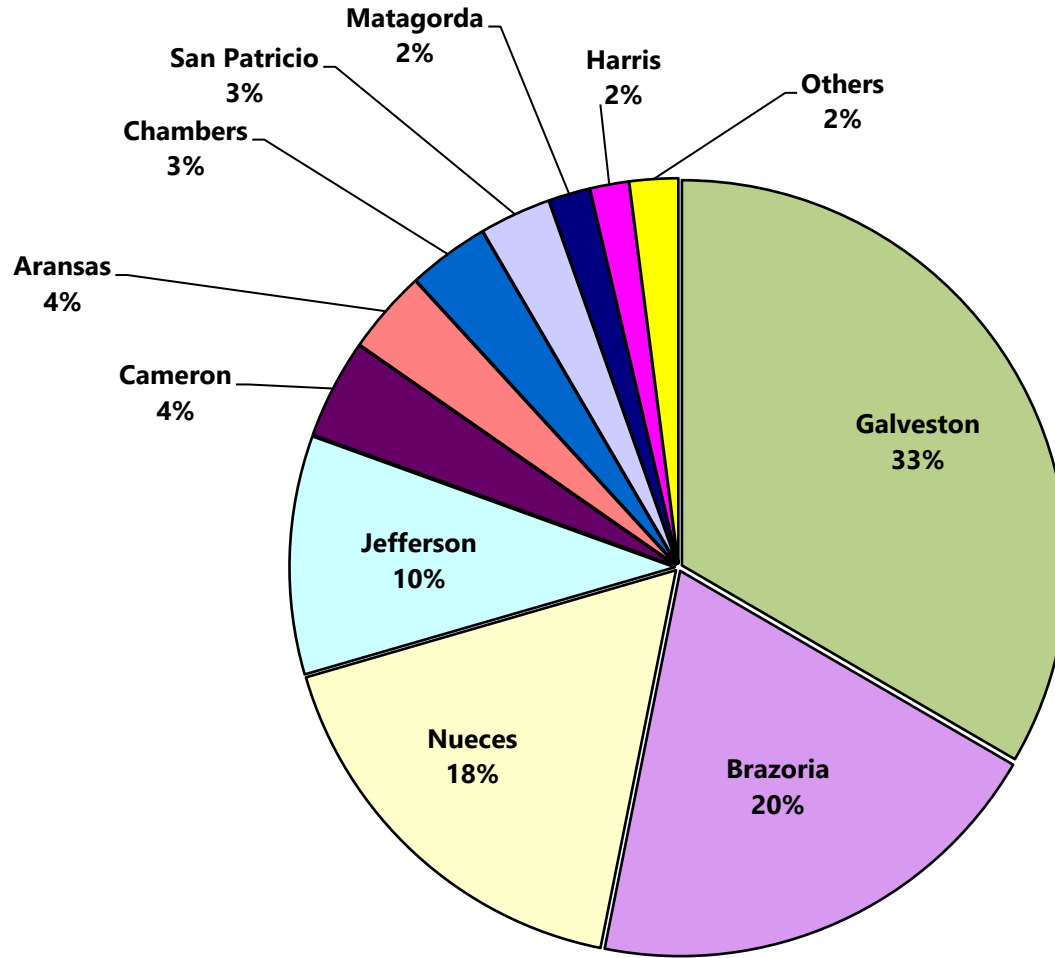
## Coverage area



\*Maps not to scale

# Background

## Direct insurance in force by county



### Insurance in Force (in billions)

Galveston	\$42.20
Brazoria	\$25.21
Nueces	\$21.89
Jefferson	\$12.69
Cameron	\$5.00
Aransas	\$4.44
Chambers	\$4.36
San Patricio	\$3.81
Matagorda	\$2.21
Harris	\$2.06
Others	\$2.57
<b>Total</b>	<b>\$126.46</b>
<b>Others Detail:</b>	
Calhoun	\$1.80
Kleberg	\$0.41
Refugio	\$0.18
Willacy	\$0.16
Kenedy	\$0.01
<b>Sub-total</b>	<b>\$2.57</b>

# Background

## Member insurers

- TWIA issues insurance policies like an insurance company; however, it also functions as a pooling mechanism.
  - All property insurers licensed in Texas are required to become TWIA members as a condition of doing business in Texas.
  - An insurer that becomes a member that was not previously a member is not subject to participation in insured losses and operating expenses until the second anniversary of the date on which the insurer first becomes a member.

## Loss payment

- Losses covered under TWIA policies are paid by premium and other revenue.
- TWIA losses in excess of premium and other revenue are paid by the Catastrophe Reserve Trust Fund (CRTF), public securities, insurer assessments, and available reinsurance. ([Refer to page 43](#) for a detailed description of TWIA's funding.)

# Background

## Assessment history

TWIA assessed its member insurers to pay for excess losses after the following major loss events:

- \$157 million for Hurricane Alicia, which struck Galveston Island in 1983. \$57 million of the assessment was subject to premium tax credits based on the statutory funding structure at the time.
- \$100 million for Hurricane Rita, which struck the upper Texas coast in 2005 causing major damage in Jefferson, Chambers, and Galveston counties. Assessments to insurer groups ranged from \$2,954 to \$14.8 million.
- \$100 million for Hurricane Dolly, which struck the lower Texas coast in July of 2008 causing major damage in Cameron and Willacy counties. Assessments to insurer groups ranged from \$500 to \$13.8 million.

# Background

## Assessment history

- \$430 million for Hurricane Ike, which struck the Texas coast in September 2008 causing major damage in Brazoria, Chambers, Galveston, Harris, Jefferson, and Matagorda counties. \$230 million of the assessment is subject to premium tax credits based on the statutory funding structure in place before HB 4409.
  - Assessments for each insurer group for \$200 million of the assessed amount, ranged from \$2,000 to \$30.5 million.
  - Assessments for each insurer group for the remaining \$230 million of the assessed amount, ranged from \$2,300 to \$35 million.
- \$372 million for Hurricane Harvey, which struck the Texas Coast in August 2017 causing significant damage in Aransas, Refugio, San Patricio, Nueces, and Calhoun Counties. The \$372 million consisted of three separate assessments:
  - \$175 million in June 2018.
  - \$106.8 million in August 2018.
  - \$90 million in February 2020.

# Hurricane Information

## Historical hurricanes 1900-present

Category 3, 4, and 5 Hurricanes by Month*					
June	July	August	September	October	November
1	1	10	8	0	0

\*As of November 2024

Saffir/Simpson Category*					
Category	1	2	3	4	5
Number	20	12	10	10	0

Saffir/Simpson Scale					
Type	Category	Damage	Pressure	Winds	Summary
Depression	-	-	-	<38	
Tropical Storm	-	-	-	39-73	
Hurricane	1	Minimal	> 28.94	74-95	Very dangerous winds will produce some damage.
Hurricane	2	Extensive	28.50 - 28.91	96-110	Extremely dangerous winds will cause extensive damage.
Hurricane	3	Extensive	27.91 - 28.47	111-129	Devastating damage will occur.
Hurricane	4	Extreme	27.17 - 27.88	130-156	Catastrophic damage will occur.
Hurricane	5	Catastrophic	< 27.17	> 157	Catastrophic damage will occur.

National Hurricane Center and Central Pacific Hurricane Center.

A storm surge scale is not available. NOAA is working to enhance the analysis and predictions of storm surge.

# Hurricane Information

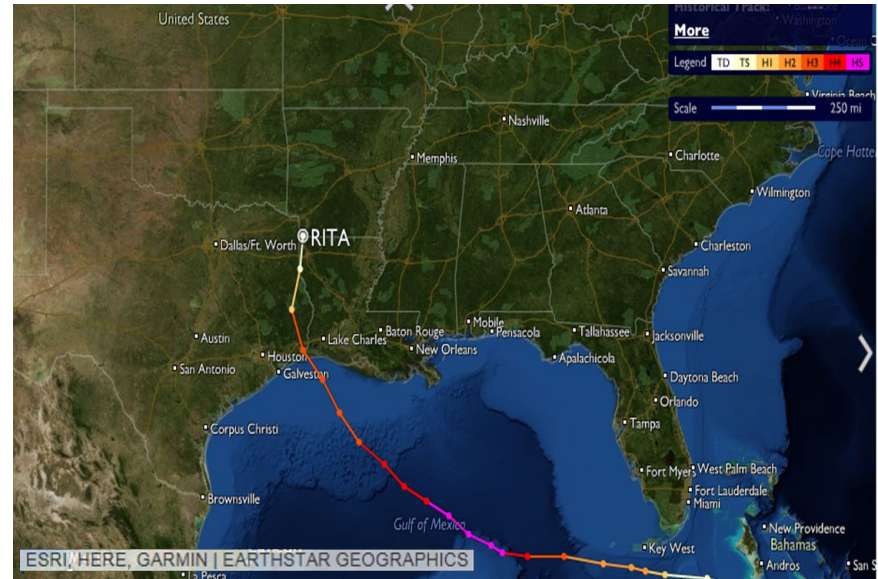
## Notable hurricanes since 2005

<b>Name</b>	<b>Date</b>	<b>Category</b>	<b>Loss and Loss Adjustment Expenses</b>
<b>Rita</b>	September 23, 2005	3	\$160 Million
<b>Dolly</b>	July 23, 2008	2	\$327 Million
<b>Ike</b>	September 13, 2008	2	\$2.6 Billion
<b>Harvey</b>	August 25, 2017	4	\$1.7 Billion
<b>Nicholas</b>	September 14, 2021	1	\$54 Million
<b>Beryl</b>	July 8, 2024	1	\$545 Million

## Hurricane Rita – September 24, 2005

**Hurricane Rita** made landfall between Sabine Pass, Texas and Johnsons Bayou, Louisiana on September 24, 2005, as a Category 3 hurricane with winds speeds at 115 mph. Losses and loss adjustment expenses for TWIA were approximately \$160 million.

Source: Texas Windstorm Insurance Association



## Hurricane Dolly – July 23, 2008

**Hurricane Dolly** made landfall on South Padre Island at 1:00 PM CDT, July 23, 2008, as a Category 2 hurricane with 100 mph winds. Hurricane Dolly is considered the most destructive hurricane to hit the Rio Grande Valley in 41 years. TWIA estimated losses and loss adjustment expenses to be \$327 million.

Source: Texas Windstorm Insurance Association



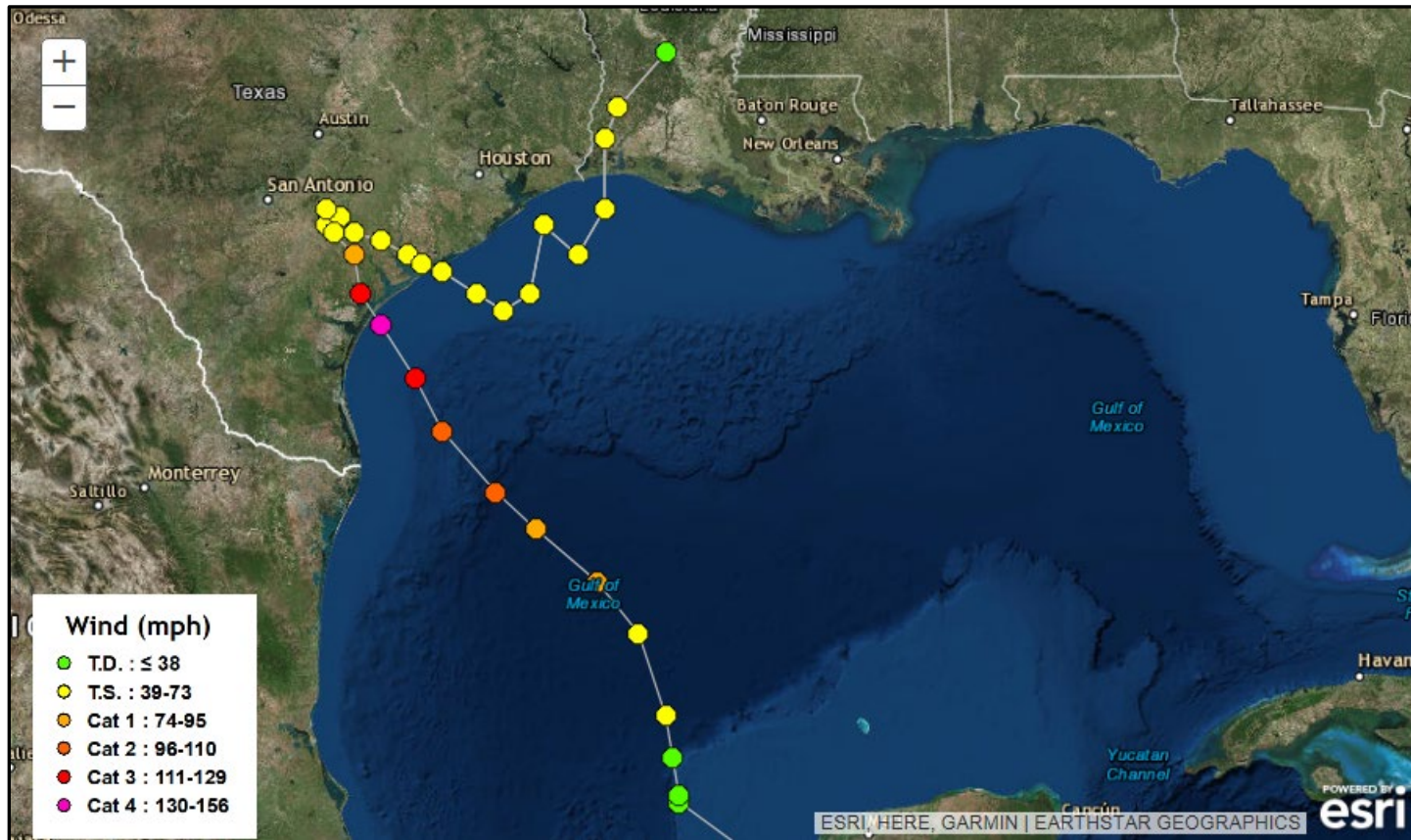
## Hurricane Ike – September 13, 2008



**Hurricane Ike** made landfall on Galveston Island at 2:10 AM CDT, September 13, 2008, as a strong Category 2 hurricane, with sustained winds of 110 mph. TWIA received 93,064 claims. Loss and loss adjustment expenses were \$2.6 billion.

Source: Texas Windstorm Insurance Association

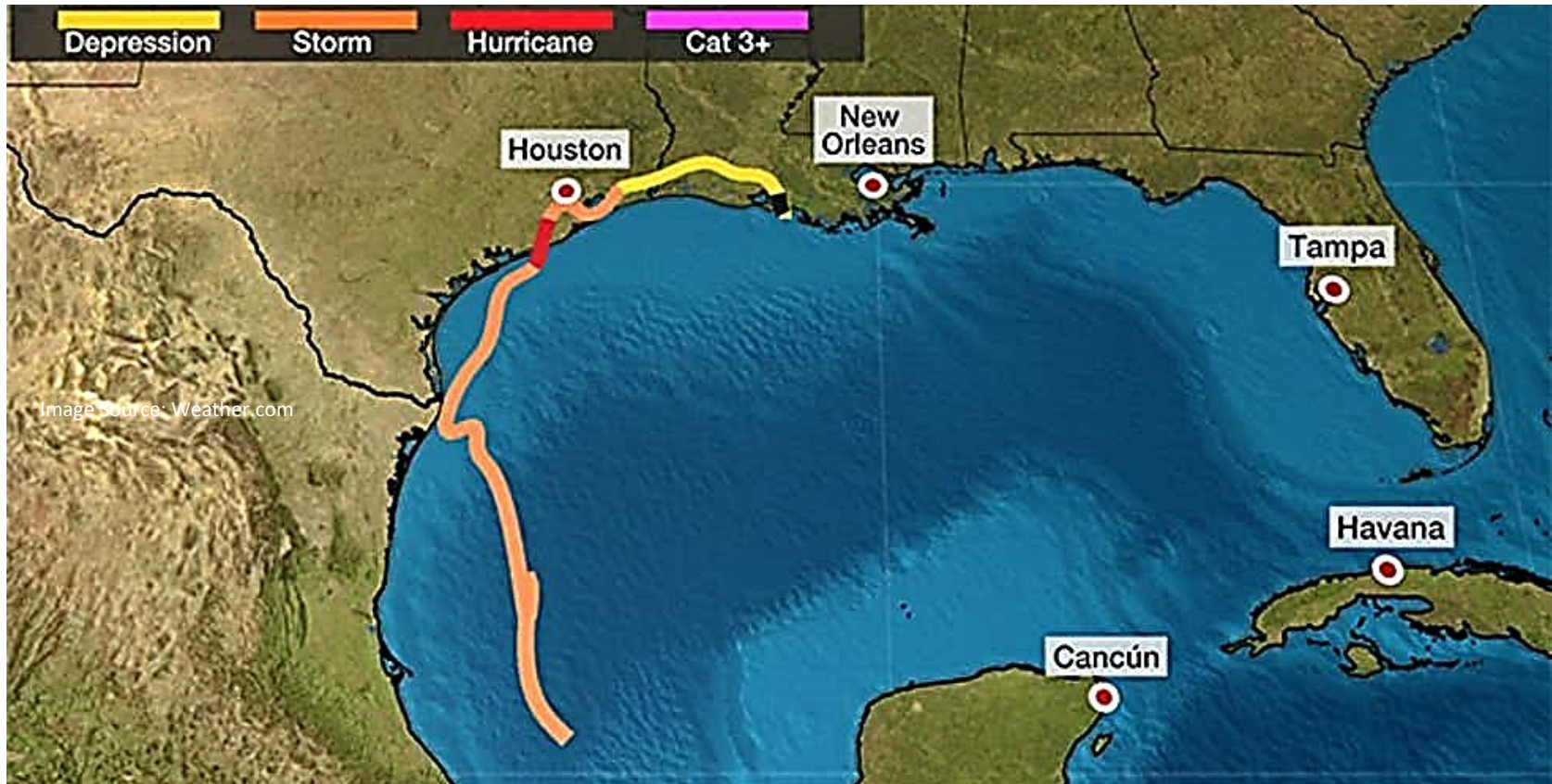
## Hurricane Harvey – August 25, 2017



**Hurricane Harvey** first made landfall on San Jose Island and then near Rockport and Fulton, TX, around 10 PM CDT, August 25, 2017, as a Category 4 hurricane, with sustained winds of 130 mph. Harvey made its final landfall near Cameron, LA, on August 30, 2017, as a tropical storm. TWIA has received 71,565\* claims. Loss and loss adjustment expenses were \$1.7 billion.

\*This count excludes unverified or no policy in force claims for TWIA.  
Source: Texas Windstorm Insurance Association

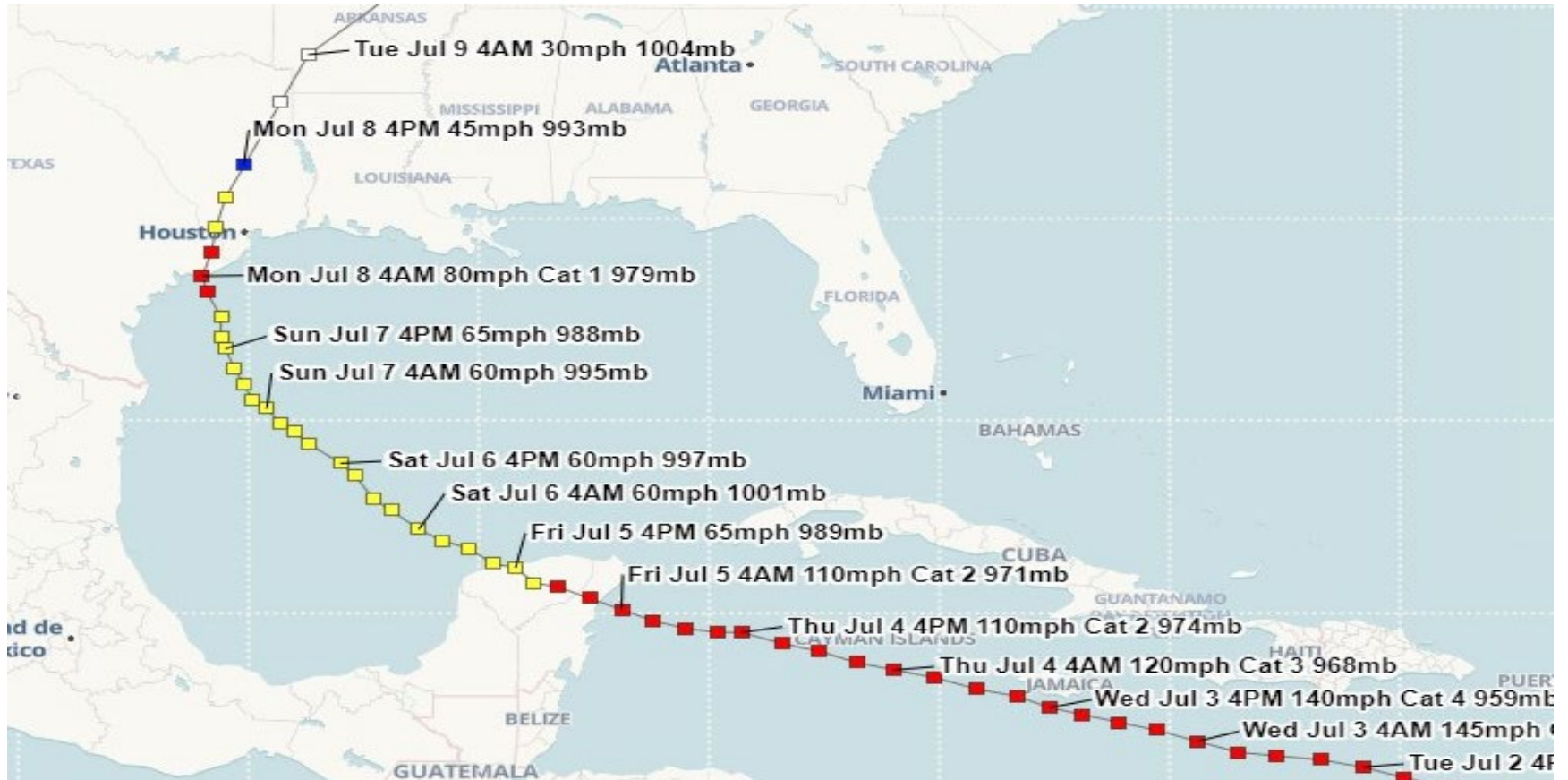
## Hurricane Nicholas – September 14, 2021



**Hurricane Nicholas** made landfall on the Matagorda Peninsula on September 14, 2021, as a Category 1 hurricane with maximum sustained wind speeds of 75 mph. Estimated ultimate losses \$54 million as of March 31, 2025.

Source: TWIA and National Oceanic and Atmospheric Administration (NOAA)

# Hurricane Beryl – July 8, 2024



**Hurricane Beryl** made landfall near Matagorda on July 8, 2024, as a Category 1 hurricane with maximum sustained wind speeds of 80 mph.

TWIA has received 32,166\* claims. Estimated ultimate losses \$545 million as of December 31, 2025.

Source: TWIA, National Weather Service, and National Oceanic and Atmospheric Administration (NOAA)

\*This count excludes unverified or no policy in force claims for TWIA.

# Eligibility

## Requirements

An applicant for new or renewal coverage must comply with all the following requirements to be eligible for coverage:

- **Declination:** Must have been declined coverage from at least one licensed insurer that is writing new or renewal property insurance policies that provide windstorm and hail insurance coverage in the first-tier coastal counties.

A declination may also be an offer of a policy that includes coverage for windstorm and hail that is not substantially equivalent to the coverage offered by TWIA. A policy is not substantially equivalent to a TWIA policy if the policy that is being offered does not provide the basic coverages that the applicant is seeking.

- **Flood Insurance:** If the structure was constructed, altered, remodeled, or enlarged on or after September 1, 2009, and is in Zone V, Zone VE, or Zones V1-V30, the applicant must provide evidence of a flood insurance policy, if flood insurance is available through the National Flood Insurance Program. This requirement does not apply to repairs.
- **Underwriting:** Must comply with all other underwriting requirements for TWIA.

# Eligibility

## Requirements

- The applicant must comply with **one** of the following:
  - Inspection Process Regulations (refer to [Page 26](#)).
  - Requirements for Certain Noncompliant Structures (refer to [Page 27](#)).

## Inspection Process Regulations

- A homeowner, builder, or agent can request inspection of a structure by contacting either the TDI Windstorm Inspection Office or a Texas Licensed Professional Engineer.
- As of June 1, 2020, TDI certifies both ongoing and completed improvements.
- For an **ongoing improvement**, an "Application for Windstorm Building Inspection" (WPI-1) starts the inspection process.
  - An Appointed Qualified Inspector or a TDI windstorm inspector can inspect the work to verify compliance with applicable building codes.
  - An appointed qualified inspector completes the "Inspection Certification" (WPI-2) and sends it to TDI windstorm intake.
  - A TDI windstorm inspector completes the "Field Form" (WPI-7).
  - A building must comply with building codes for TDI to issue a "Certificate of Compliance" (WPI-8).

# Eligibility

## Inspection process regulations

For a **completed improvement**, an “Application for Certificate of Compliance” (WPI-2E) starts the inspection process.

- A Texas Licensed Professional Engineer can inspect the work to verify compliance with applicable building codes.
- The Professional Engineer creates a sealed design or a post construction evaluation report and submits to TDI Windstorm Intake.
- TDI approves structures that meet the building codes and issues a Certificate of Compliance (WPI-8/WPI-8E). TWIA requires a certificate for a structure to be eligible for wind and hail coverage.
- Additions, alterations, re-roofs, or other repairs to a structure must comply with required windstorm building codes to remain eligible for coverage through TWIA.
- Structures constructed before January 1, 1988, are not required to have a WPI-8 for coverage through TWIA.

# Eligibility

## Certain noncompliant structures

- The 83rd Texas Legislature enacted [SB 1702](#) which modified eligibility requirements for certain residential structures that did not go through the windstorm inspection process and are missing one or more WPI-8s for construction on or after January 1, 1988.
- TWIA may provide coverage for residential structures constructed on or after January 1, 1988, and prior to June 19, 2009, that did not go through the inspection process and obtain a WPI-8 for all construction and repairs during this time period. Policies are subject to a 15% surcharge.
- TWIA may also provide coverage to residential structures that were insured in the voluntary market on or after June 19, 2009, if the insurer cancels or nonrenews and all construction and repairs started after the date of cancellation have a WPI-8. Policies are subject to a surcharge based on the rate charged in the voluntary market.
- The 84th Texas Legislature enacted SB 498 which permits TWIA to indefinitely issue or renew policies for these types of noncompliant residential structures.

# Eligibility

## Certain noncompliant structures

### Additional requirements

Any subsequent:

- Additions.
- Alterations.
- Re-roofs.
- Other repairs.

Must also comply with required windstorm building code specifications for continued coverage from TWIA.

### Building code credits

Policies for residential property that qualify under the noncompliant provisions are not eligible for credits for building code compliance under [TAC 5.4700](#).

# Building Code Credits

## Qualification

- Building Code Credits are applied to dwelling policies that meet or exceed the standards of
  - The Building Code for Windstorm Resistant Construction.
  - The International Residential Code (IRC)/International Building Code (IBC) as modified by TDI.
  - TDI will provide form WPI-8, building code certificate of compliance, showing the code to which, the structure was built.
  
- IRC/IBC Code Credits apply to policies effective on or after September 1, 1998.
  
- Retrofit credits apply to homes built prior to September 1, 1998, or February 1, 2003, and retro-fitted with exterior opening protections that meet the windborne debris criteria standards of either
  - The Building Code for Windstorm Resistant Construction.
  - The IRC.
  - The IBC.

# Building Code Credits

## Available discounts

**Building Code Credits** are applied per the table below, with the IRC/IBC code credits applied to policies effective on or after September 1, 1998.

Credits for building code compliance range from 19 percent to 33 percent depending on where the risk is located and which building code the risk is constructed to meet

Location Of Risk	Building Code Standards	Windstorm Resistant Construction Effective 9/1/98		INT'L. Residential Code & INT'L. Building Code		2018 IRC Code	
		Dwelling Discount	Personal Property Discount	Dwelling Discount	Personal Property Discount	Dwelling Discount	Personal Property Discount
Seaward	Seaward (Risk Category I,II, IV)	26%	20%	28%	23%	28%	23%
Inland I	Inland I	24%	19%	26%	21%	n/a	n/a
Inland I	Seaward (Risk Category I,II, IV)	29%	23%	31%	25%	31%	25%
Inland II	Inland II	0%	0%	26%	20%	n/a	n/a
Inland II	Inland I	27%	21%	28%	23%	n/a	n/a
Inland II	Seaward (Risk Category I,II, IV)	32%	25%	33%	28%	33%	28%
All designated catastrophe areas	Retrofit	10%	10%	10%	10%	10%	10%

\*TWIA Instructions and Guidelines Manual 09/2021

# Windstorm Inspection Program

## Overview

- Damage from Hurricane Alicia in 1983 revealed that applicable building codes were not being enforced. Therefore, the legislature created the Windstorm Inspection Program, effective January 1, 1988. (HB 2012)
- The Windstorm Inspection Program is responsible for determining compliance of structures in the designated catastrophe area.
- The Inspection Program has field offices located along the Coast to provide inspection services upon request.
  - **Angleton (Brazoria, Calhoun, and Matagorda Counties)**  
209 E. Mulberry, Suite 500, 77515  
800-248-6032, option 4, then option 3
  - **Beaumont (Jefferson and Chambers Counties)**  
6430 Concord Road, 77708  
800-248-6032, option 4, then option 1
  - **Corpus Christi (Cameron, Willacy, Kenedy, Nueces, Refugio, Kleberg, San Patricio, and Aransas Counties)**  
5155 Flynn Parkway, Ste 218, 78411  
800-248-6032, option 4, then option 4
  - **La Marque (Galveston and Harris Counties)**  
800-248-6032, option 4, then option 2

# Windstorm Inspection Program

## Windstorm resistant construction building code

Damage from Florida's Hurricane Andrew in 1992 was key to the adoption of a new building code in Texas for the first-tier counties along the Texas Gulf Coast.

After five years of research and development by TDI engineers and the Texas Tech Engineering Department, TDI adopted the Texas Windstorm Insurance Association Building Code for Windstorm Resistant Construction. The code was based on a nationally recognized design standard, ASCE-7, and was effective September 1, 1998.

# Windstorm Inspection Program

## Windstorm resistant construction building code

The building code is continually updated to provide the most current wind resistant design and construction methods.

- January 2003 - the 2000 International Residential Code (IRC) and the 2000 International Building Code (IBC), as amended by the Texas Revisions were adopted as the standards for windstorm resistant construction, effective February 1, 2003.
- July 2004 - the 2003 IRC and IBC as amended by the Texas Revisions became effective January 1, 2005.
- July 2007 - the 2006 IRC and IBC as amended by the Texas Revisions became effective January 1, 2008.
- March 2020 - the 2018 IRC and IBC which became effective April 1, 2020. In April, due to COVID-19, the effective date was changed to September 1, 2020.
- January 2026 – the 2024 IRC and IBC which will become effective April 1, 2026.

# Operations

## Board of directors

The nine-member board appointed by the Commissioner consists of:

- Three industry representatives who reside in Texas and whose companies write or sell windstorm and hail insurance in the first-tier coastal counties.
- Three first tier coastal county members, including at least one licensed property and casualty agent who actively offers or sells TWIA policies.
- Three members who reside outside the catastrophe area.

## General Information

- TWIA's general manager directs the day-to-day operations.
- TWIA operates somewhat like an insurance company.
- Policies are issued directly by TWIA.
- Claims and operating expenses are paid from premiums collected.

# Operations

## Maximum Limits of Liability

The maximum limits of liability for policies are set by statute and subject to inflation indexed adjustments on an annual basis.

Limits are as follows:

<b>Effective</b>	<b>Dwellings</b>	<b>Contents of Apartments, Condos, or Townhouses</b>	<b>Commercial Risks</b>	<b>Manufactured Homes</b>	<b>Public Buildings</b>
January 1, 2026	\$1,773,000	\$374,000	\$4,424,000	\$119,000	\$4,424,000

# Operations

## **Policy forms, endorsements, and manual rule filings**

[TAC 5.4911](#) established a procedure to approve TWIA policy forms, endorsements, manual rules, and application forms. Submissions must be posted for public comment and allow for public hearing if requested.

## **Deductible options**

Residential Risks:

- Deductible options of \$100, \$250, or 1% are available.
- Adjustment percentages must be applied to calculate the rate for \$100 and \$250 deductibles.
- Optional large deductibles of 1.5%, 2%, 2.5%, 3%, 4%, or 5% are available and are subject to the appropriate premium credits.

Commercial Risks and Public Buildings:

- Per occurrence deductible of 1% per item applies.
- Optional large deductibles of 2% or 5% are available and are subject to the appropriate premium credits.

# Rates

## **Annual rate filings** (residential/commercial)

- The association must file proposed rates with TDI by August 15 of each year.
- Unless rates are filed and used, the Commissioner must:
  - Provide interested persons an opportunity to review the filing, submit written comments, and request additional supporting information related to the filing.
  - Approve or disapprove the filing by October 15.
- Average rate change is capped at 10% higher or lower than the rate in effect on the date the filing is made.
- The rate for an individual rating class is capped at 15% higher or lower than the rate in effect on the date the filing is made.
- The caps can be removed, subject to notice and hearing, after a catastrophe to ensure rate adequacy in the catastrophe area and availability of insurance outside the catastrophe area.

# Rates

## **Other-than-annual rate filings** (residential/commercial)

- The association may also submit rate filings at any other time of the year.
- Unless rates are file and use, the Commissioner must approve or disapprove on or before the 30th day after date of filing.

## **Rates are file and use if:**

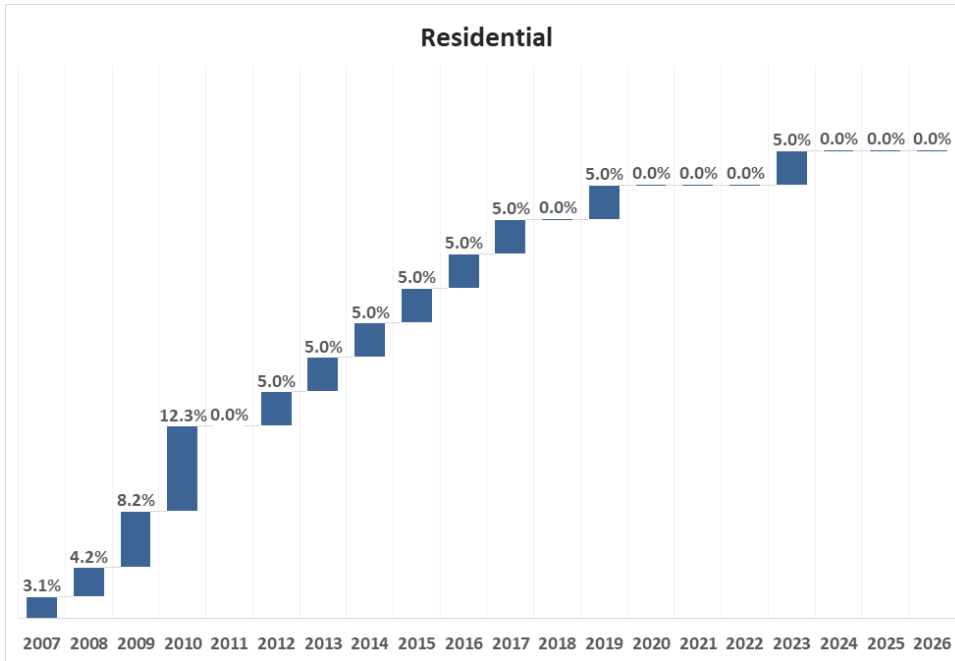
- Filed 30 days in advance.
- The filed rate does not exceed the rate in effect on the date the filing is made.
- For other than annual rate filings, the Commissioner has not disapproved the filing in writing.

## **Rates are prior approval if:**

- The filed rate exceeds the rate in effect on the date the filing is made.
- The rates are not filed 30 days in advance.

# Rates

## Rate change history (last 20 years)

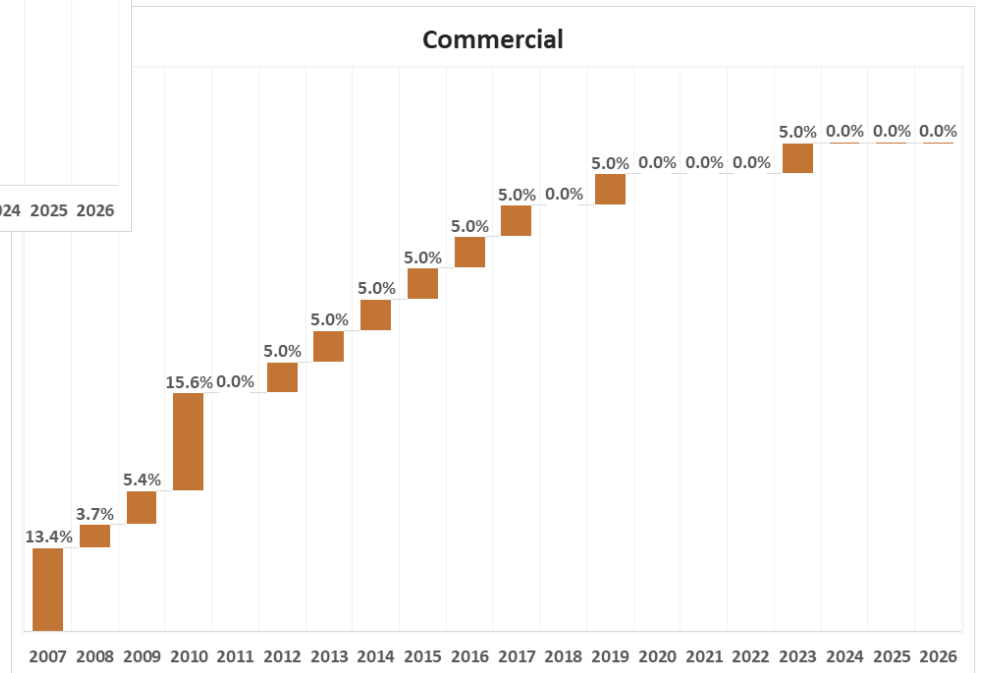


January 2022 – TWIA implemented a 5% increase in its residential and commercial rates.

August 2024 – TWIA submitted a rate filing for a 10% increase in residential and commercial rates. TDI [disapproved](#) the filing.

August 2018 - TWIA submitted a rate filing requesting a 10% increase in residential and commercial rates. In October 2018, Governor Abbott suspended the provisions of TWIA’s rate statute. The suspension remained in effect until June 16, 2019. TWIA withdrew the filings on May 30, 2019.

December 2020 – TWIA submitted a rate filing for a 5% increase in residential and commercial rates. TDI rejected the filing because TWIA did not post its complete rate analysis for 14 days.



# Statistical Information

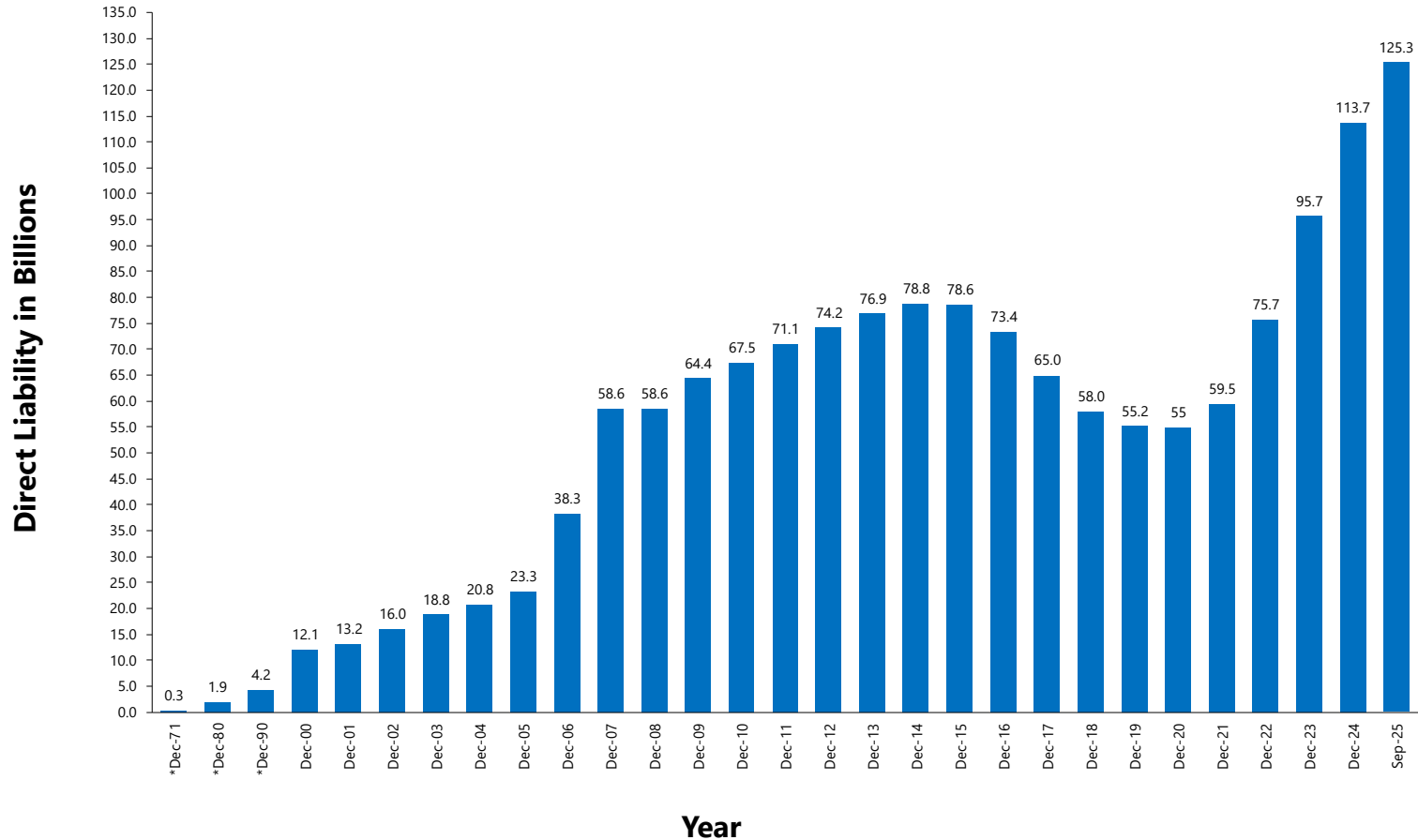
## Exposures, policies, and premiums written

		As of 12/31/2024	As of 9/30/2025	As of 12/31/2025
<b>Total Direct Liability in Force</b>	Residential	\$100,844,737,800	\$113,043,223,600	\$114,730,637,300
	Manufactured Home	\$115,791,700	\$137,769,000	\$140,801,200
	Commercial	\$12,784,910,900	\$12,156,429,000	\$11,584,286,100
	Total	\$113,745,440,400	\$125,337,421,600	\$126,455,724,600
<b>Total Indirect Liability in Force</b>	Residential (Additional Living Expense)	\$12,526,031,560	\$14,315,870,680	\$14,569,652,580
	Commercial (Business Income Total)	\$288,600,494	\$245,298,719	\$226,802,179
	Total	\$12,814,632,054	\$14,561,169,399	\$14,796,454,759
<b>Total Policies in Force</b>	Residential	262,384	273,220	274,897
	Manufactured Home	1,589	1,834	1,850
	Commercial	8,594	8,279	8,099
	Total	272,567	283,333	284,846
<b>Premiums Written on Policies in Force, Year to Date</b>	Residential	\$625,349,877	\$564,627,920	\$699,716,387
	Manufactured Home	\$3,060,588	\$3,043,665	\$3,739,524
	Commercial	\$130,434,727	\$96,254,409	\$117,408,620
	Total	\$758,845,192	\$663,925,994	\$820,864,531
<b>Premiums Written During Quarter</b>	Residential	\$125,572,213	\$231,693,760	\$135,088,467
	Manufactured Home	\$548,220	\$1,024,574	\$695,859
	Commercial	\$27,199,374	\$33,537,025	\$21,154,211
	Total	\$153,319,807	\$266,255,359	\$156,938,537

Source: Quarterly Liability Reports as of 12/31/2024, 9/30/2025 and 12/31/2025 from Texas Windstorm Insurance Association

# Direct Liability in Force

December 31, 1971 – December 31, 2025



\* Dec 1971-Dec 1990 shown in decades only. For complete year over year data, contact TDI.

Data Source: Quarterly Liability Report as of December 31, 2025, from Texas Windstorm Insurance Association

# Statistical Information

## Residential market share by county (2022 – 2024)

<b>TEXAS WINDSTORM INSURANCE ASSOCIATION</b>			
<b>2022-2024 RESIDENTIAL WIND MARKET SHARE BY COUNTY</b>			
(As measured by Insured Exposures for Dwelling and Contents)			
<b>County</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>
Aransas	63%	73%	80%
Brazoria	31%	39%	47%
Calhoun	68%	74%	79%
Cameron	12%	14%	15%
Chambers	33%	40%	49%
Galveston	59%	68%	73%
Harris <sup>1</sup>	44%	42%	48%
Jefferson	42%	49%	55%
Kenedy	13%	24%	31%
Kleberg	12%	14%	17%
Matagorda	55%	60%	66%
Nueces	42%	46%	52%
Refugio	18%	20%	24%
San Patricio	42%	49%	55%
Willacy	15%	18%	19%
<b>Total Catastrophe Area</b>	<b>40%</b>	<b>47%</b>	<b>53%</b>

<sup>1</sup>Only includes those portions of Harris County designated as a catastrophe area.

# Funding of Excess Losses

## Overview

Currently, TWIA losses in excess of premiums and other revenue are funded as follows:

- Available reserves and available amounts in the Catastrophe Reserve Trust Fund  
Balance as of 12/31/25 - \$14.1 million
- Up to \$500 million in new Pre- or Post-Event Class 1 Public Securities authorized
- Up to \$500 million in Class 1 assessments of member insurers authorized
- Up to \$250 million in Class 2 public securities authorized
- Up to \$250 million in Class 2 assessments of member insurers authorized
- Up to \$250 million in Class 3 public securities authorized
- Up to \$250 million in Class 3 assessments of member insurers authorized

Beginning in 2026, TWIA's funding structure will change pursuant to HB 3689 (89<sup>th</sup> R.S.)

**TWIA's reinsurance** pays after all other available funding, i.e., after class 3 assessments.

TWIA must maintain a funding level in an amount not less than the probable maximum loss for a catastrophe year with a probability of one in 100.

# Funding of Excess Losses

## Public securities

Public securities are paid from premiums and surcharges on TWIA policies unless the Commissioner approves coastal surcharges to pay for class 2 or class 3 public securities.

## Coastal surcharges

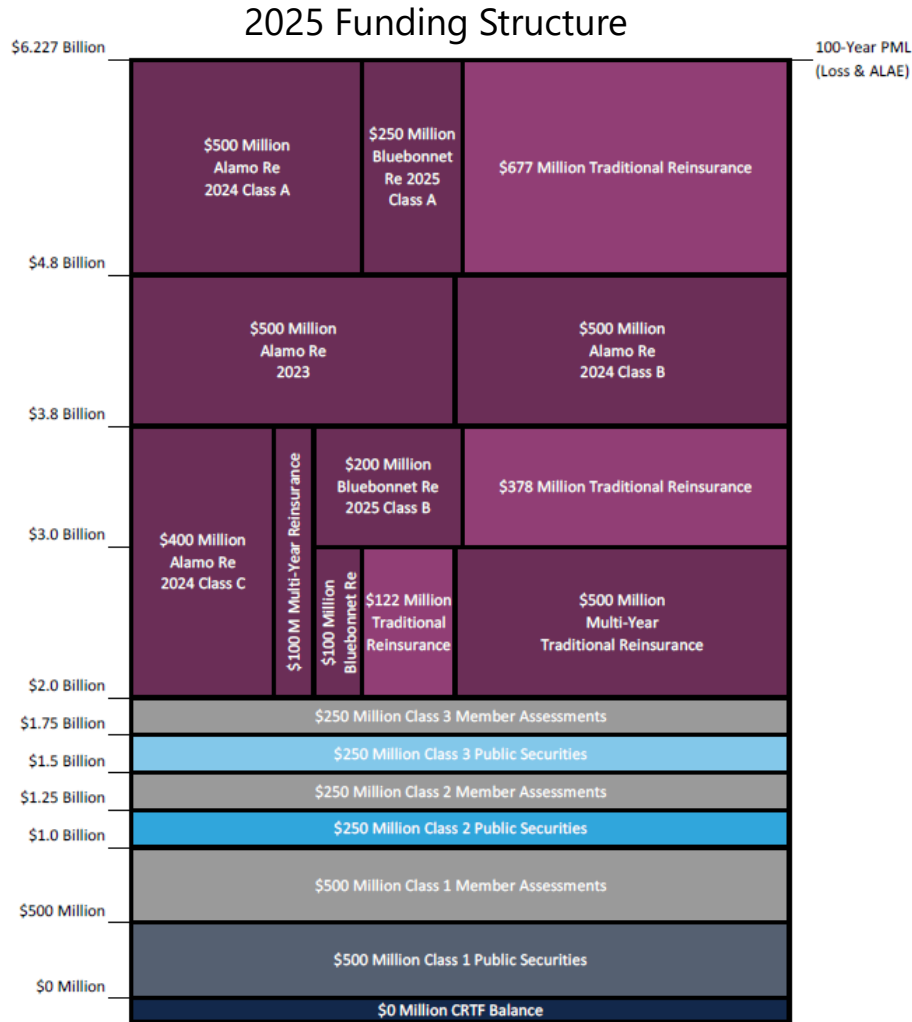
If the commissioner finds that:

- Class 2 or class 3 public securities paid from premiums and surcharges on TWIA policies cannot be issued.
- It is financially unreasonable to issue such public securities.

The commissioner must order that the class 2 or class 3 public securities are payable from a surcharge on all property or auto insurance policies located in areas where TWIA operates.

# Funding of Excess Losses

## Funding Chart



TWIA's 2025 reinsurance program, in effect June 1, 2025, through May 31, 2026. Reinsurance available in the amount of \$4.227 billion in excess of a \$2 billion retention. The \$4.227 billion in reinsurance includes a mix of traditional reinsurance and catastrophe bonds, which are a type of reinsurance.

Chart Source: TWIA

# Funding of Excess Losses

## Member insurer assessments

- Indexed to an individual insurer's share of the overall Texas property insurance market.
  - The greater an insurer's share of the Texas market, the greater its potential for loss assessments.
  - Credits reduce loss assessments and are given if member insurers voluntarily write insurance in the areas where TWIA operates.
- Member insurers may **not** credit class 1, class 2, or class 3 assessment against premium taxes paid.
- Currently, funding for TWIA losses in excess of reinsurance is undetermined.

# Funding of Excess Losses

## Catastrophe reserve trust fund (CRTF)

- The 73rd Legislature established the CRTF
  - Effective September 1, 1993.
  - Part of the State's plan to address catastrophic losses from a major windstorm.
- To fund the CRTF
  - TWIA deposits excess funds annually.
  - Policyholder surcharges for structures insured under the Approval Program are deposited.
- The CRTF is a state fund
  - Held by the Comptroller outside the State Treasury on behalf of, and with legal title in TDI.
- The CRTF is designed to fund losses in excess of TWIA premiums and other revenue.
- If the CRTF is terminated by law, all assets of the CRTF revert to the State.

# Funding of Excess Losses

## CRTF balance history

<b>Year</b>	<b>Action Taken</b>
1995	Initial CRTF balance was \$122.8 million.
September 2005	TWIA withdrew \$65 million to pay excess losses from Hurricane Rita. Subsequently in 2005, TWIA returned \$30 million to the CRTF.
June 2008	CRTF balance was approximately \$468 million.
July 2008	TWIA used \$100 million to pay excess losses resulting from Hurricane Dolly.
September 2008	TWIA used the remainder of the CRTF to pay for excess losses resulting from Hurricane Ike, leaving a balance of \$0.
August 2017	CRTF balance was approximately \$742 million.
Sept. - Oct. 2017	TWIA withdrew \$370.7 million and then another \$372.5 million to pay losses resulting from Hurricane Harvey.
March 2025	TWIA withdrew \$462.7 million to pay losses resulting from Hurricane Beryl.
December 31, 2025	CRTF balance was approximately \$14.1 million.