

No. **2025-9419**

**Official Order  
of the  
Texas Commissioner of Insurance**

**Date: 07/18/2025**

**Subject Considered:**

*Rate Changes for Commercial Automobile Insurance and Private Passenger Automobile Insurance Provided Through the Texas Automobile Insurance Plan Association (TAIPA).*

**General Remarks and Official Action Taken:**

The subject of this order is TAIPA's 2025 rate filing with the Texas Department of Insurance (TDI) for commercial and private passenger automobile insurance, as required by Insurance Code Chapter 2151.

**Background**

TAIPA is a nonprofit corporate body composed of all insurers authorized by TDI to write automobile liability coverage. TAIPA provides for the assignment of automobile liability insurance for applicants who have been rejected by at least two Texas-authorized insurers. TAIPA must file rates to be charged for insurance provided through the association for approval by the commissioner. TAIPA may not file rates more than once in any 12-month period.

The following findings of fact and conclusions of law are adopted.

**Findings of Fact**

1. On April 21, 2025, TAIPA filed rates for commercial automobile and private passenger automobile insurance.
2. TDI assigned filing number S729381 to the private passenger automobile filing.
3. TDI assigned filing number S729382 to the commercial automobile filing.

4. TDI filed notice of the TAIPA rate filing with the secretary of state on April 28, 2025, and the notice was published in the May 9, 2025, issue of the *Texas Register*. This notice provided information to the public about how to comment on the filing.
5. In the public notice, the commissioner extended the approval period for TAIPA's filing for an additional 30 days to June 20, 2025.
6. TAIPA filed amended rates for private passenger automobile insurance on April 24, 2025, and June 5, 2025.
7. TAIPA filed amended rates for commercial automobile insurance on June 16, 2025.
8. TAIPA filed an amended effective date of November 1, 2025, on June 18, 2025.
9. TDI filed notice of the amended filings with the secretary of state on June 12, 2025, and the notice was published in the June 20, 2025, issue of the *Texas Register*. This notice provided information to the public about how to comment on the amended filings.
10. In the public notice, the commissioner and TAIPA agreed to extend the approval period for TAIPA's filing for an additional 30 days to July 20, 2025.
11. TDI received one comment on the amended filing notice.
12. Staff reviewed TAIPA's filings, as amended, as well as the statistical plan data for automobile insurance written through TAIPA.

### **Private Passenger Automobile Rates**

13. For private passenger automobile insurance, TAIPA requested the following changes to the base rates by coverage, with no changes to any territory or class rating factors.

<b>Coverage</b>	<b>Percent Change</b>
Bodily injury liability	5.0%
Property damage liability	3.2%
Personal injury protection	-5.0%
Uninsured motorists bodily injury	4.8%
Uninsured motorists property damage	4.9%
<b>Overall average</b>	<b>3.9%</b>

14. In developing the proposed rate changes for private passenger automobile insurance, TAIPA used three approaches to calculate annual loss cost trends using data from the Quarterly Detailed Experience Report of the Texas Private Passenger Auto Statistical Plan: (i) fitting to the "raw" data, (ii) omitting anomalous values, and (iii) smoothing the frequency. TAIPA made an adjustment to reflect the two rate increases that were effective during the 5.59-year trending period.

### **Commercial Automobile Insurance Rates**

15. For commercial automobile insurance, TAIPA requested the following changes to the base rates by coverage, with no changes to any territory or class rating factors.

<b>Coverage</b>	<b>Percent Change</b>
Bodily injury liability	0.0%
Property damage liability	4.0%
Personal injury protection	4.2%
Uninsured motorists bodily injury	1.0%
Uninsured motorists property damage	5.0%
<b>Overall average</b>	<b>1.7%</b>

16. In developing the proposed rate changes for commercial automobile insurance, TAIPA relied primarily on severity trend analyses for each coverage, constructed using voluntary market data found in the 2023 Texas Commercial Auto Liability Benchmark Reports. Because of data limitations in the Benchmark Reports, TAIPA assumed a frequency trend of 0.0%.

### **Conclusions of Law**

1. The commissioner of insurance has jurisdiction over this matter under Insurance Code § 2151.2022.
2. Insurance Code § 2151.201 requires that insurance rates filed by TAIPA must be:
  - a. Just, reasonable, adequate, not excessive, not confiscatory, and not unfairly discriminatory for the risks to which the rates apply; and

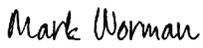
- b. Sufficient to carry all claims to maturity and meet the expenses incurred in the writing and servicing of the business.
17. Notice of the initial filing and the amendments were given as required by Insurance Code § 2151.204.
18. The statistical plan data for automobile insurance written through TAIPA was considered, as required by Insurance Code § 2151.203(c).

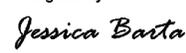
### Order

It is ordered that the proposed rates in filings S729381 and S729382 are approved, to be effective November 1, 2025.

Signed by:  
  
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Cassie Brown  
Commissioner of Insurance

Recommended and reviewed by:

Signed by:  
  
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Mark Worman, Deputy Commissioner

Signed by:  
  
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Jessica Barta, General Counsel