

Subchapter O. Statistical Plans
28 TAC §5.9501

INTRODUCTION. The Texas Department of Insurance (TDI) proposes amendments to 28 TAC §5.9501, concerning the *Texas Commercial Lines Statistical Plan* (Commercial Plan). Amendments to the Commercial Plan are necessary to enable insurers to report data on the reasons insurers give consumers for the declination, cancellation, or nonrenewal of certain direct commercial and miscellaneous personal insurance policies, as required by House Bill 2067, 89th Legislature, 2025.

EXPLANATION. HB 2067 amends Insurance Code Chapter 551 to require insurers to disclose their reasons for cancellation or nonrenewal of an existing insurance policy or for declination of an application. HB 2067 also requires that insurers provide to TDI--at least once a quarter and in the form and manner TDI prescribes--a written report organized by ZIP code that summarizes the reasons that were provided to consumers. The bill also requires TDI to post an aggregated summary of the reports on its website. To implement HB 2067 as to certain personal lines, TDI adopted by reference updated versions of the *Texas Statistical Plan for Residential Risks* and the *Texas Private Passenger Auto Statistical Plan*, which became effective on February 4, 2026, for use starting on April 1, 2026.

Amendments to §5.9501 propose to adopt by reference a revised version of the Commercial Plan, updated to require insurers to include data by ZIP code relating to the reasons for coverage decisions in the statistical reports submitted to TDI's statistical agents. Insurers will report the data for farm and ranch and farm and ranchowners lines on a monthly basis and the data for all other lines covered by the Commercial Plan on a quarterly basis, aligning with current reporting frequency. The proposed revisions to the Commercial Plan will facilitate insurers' reporting of the data and TDI's collection and posting of an aggregated summary of the data reports, in compliance with HB 2067. The

Commercial Plan will provide codes to be used as shorthand for various common reasons an insurer would decline an application or cancel or not renew a policy.

In the Commercial Plan, newly added Section K describes the requirements, instructions, record layout, and field definitions for reason-code reporting for certain liability, property, businessowners, commercial auto, miscellaneous commercial, fidelity and surety, and miscellaneous personal lines of insurance covered by the current version of the Commercial Plan. New Section M is added to describe the requirements, instructions, record layout, and field definitions for reason-code reporting for farm and ranch and farm and ranchowners lines of insurance. Conforming revisions are made to the existing sections of the plan.

Insurers should note that the reason codes are provided only for use in a statistical plan report submitted to TDI's statistical agents. TDI expects that in notices or disclosures of reasons to consumers, as required by HB 2067, insurers will provide a comprehensive description or explanation of the reasons for a specific declination, cancellation, or nonrenewal; the insurer should *not* rely on TDI's reason codes in its consumer notices or disclosures. TDI anticipates that reason-code updates will be needed to align future data reports with the evolving insurance market, address stakeholder feedback, or improve the usefulness of collected data.

Consistent with Insurance Code §§551.002(c), 551.055, and 551.109, the new reason-code reporting requirements include an indicator for reasons that include the use of third-party information. The reason-source indicator requires insurers to specify whether the reasons for a declination, cancellation, or nonrenewal were based on the use of aerial imagery versus other types of third-party information. An indicator for cancellations that occur during the first 60 days of an initial policy term is also included.

As instructed in the revised Commercial Plan, the reason-related reporting requirements will apply to all declinations, cancellations, and nonrenewals starting on October 1, 2026, except for:

- (1) declination of an application that was made before October 1, 2026; and
- (2) cancellation of a policy that was delivered, issued for delivery, or renewed before October 1, 2026.

TDI also proposes to add new reporting requirements for additional reports of the numbers of declined applications and canceled and nonrenewed policies by ZIP code. New Sections L and N are added to the Commercial Plan to provide the requirements, instructions, record layout, and field definitions for reporting the data for the different lines of insurance. Conforming revisions are made to the existing sections of the plan.

In addition to the revisions to implement HB 2067 and Insurance Code Chapter 38, Subchapter E, proposed revisions to current sections of the Commercial Plan relating to the reporting of premium and loss data in the experience reports (i.e., experience report updates) include correcting errors, updating reference tables, and removing obsolete technology references. During the last update of the Commercial Plan adopted in 2016, a map of territory codes was inadvertently removed from Attachment A-3 of the Quarterly Liability Experience Report section; because the map is no longer needed, TDI does not propose to reinsert the map. In the Record Layout for Loss Transactions of the Quarterly Fidelity & Surety Experience Report section, the field length for the Report Date is corrected to six digits instead of five. Attachment 2 of the General Reporting Instructions, which sets forth the Annual Statement Line of Business Codes, is updated to reflect current National Association of Insurance Commissioners lines of business. A missing word is inserted in Attachment 3 to the General Reporting Instructions.

References to obsolete technology (magnetic tape) and reporting mediums (cartridge, diskette, CD) are replaced with instructions for electronic submission in General

Reporting Instructions Nos. 5 - 7 (consolidated down to revised Nos. 5 and 6); in General Rules Nos. 17 and 23 for the Farm and Ranch Annual Experience Report (FR) section; and in General Rules Nos. 18 and 24 for the Farm and Ranchowners Annual Experience Report (FRO) section. General Rules No. 24 in the FR section and General Rules No. 25 in the FRO section addressing obsolete technology are deleted.

Additional proposed revisions to the FR and FRO sections (Sections H and I) include adding new codes to reflect market developments, aligning reporting requirements with current industry practices, removing obsolete reporting requirements, and making clarifying edits. General Rules No. 22 of the FR section and General Rules No. 23 of the FRO section address the designation of the statistical agent for residential property insurance. For clarity and to avoid confusion about the lines of business covered by the term "residential property" as used in the Commercial Plan, references to "residential property" are changed to "farm and ranch" and "farm and ranchowners," respectively, in each section.

New classification codes for unmanned aerial systems are added in the subsections titled Coding Section - Premium and Loss and Coding Guidelines - Premium in the FR section and the Coding Guidelines - Premium subsection in the FRO section. These additions will allow reporting of scheduled farm personal property that reflects the use of technology by property owners to monitor and manage their lands.

The proposed experience report updates also add a new field to accommodate larger deductibles. At least one insurer has inquired about reporting deductible amounts that exceed \$999,999 or span seven digits. Because the current FR and FRO sections allocate six positions for reporting the deductible amount, insurers currently report "999999" in the deductible field when the deductible is seven digits.

Since the existing deductible field has six positions and there is not room in the record layout to expand the positions, a new field called "large deductible programs" has

been added where seven positions in the record layout are available. Insurers will report under one field or the other but not both. If an insurer offers deductibles that exceed \$999,999, the insurer would report all its deductible amounts under the new large deductible program field, and report zeroes in the existing deductible field. If an insurer does not offer deductibles that exceed \$999,999, the insurer would report all its deductible amounts under the currently existing deductible field and then report zeroes under the large deductible program field. Updated instructions and record layouts for reporting deductibles have been added to General Rules No. 15, Coding Section - Premium and Loss, Coding Guidelines - Premium, and Coding Guidelines - Losses in the FR section and to General Rules No. 16, Coding Section - Premium and Loss, Coding Guidelines - Premium, and Coding Guidelines - Losses in the FRO section. The proposed addition of the large deductible program field addresses limitations in the current plan that make reporting of accurate statistical data difficult.

TDI proposes to remove obsolete reporting requirements for the Tear Out and Replacement of Building and Land Coverage Endorsement, which reflects limited coverage for tear out and replacement of buildings and land in order to access a plumbing drain system located within or under the slab or foundation. The endorsement was part of the benchmark rating system, which used the Texas Personal Lines Manual (TPLM). Senate Bill 1499, 75th Legislature, 1997, changed the regulation of farm and ranch and farm and ranchowners insurance so that these lines were regulated as commercial property insurance and no longer subject to the benchmark rating system and the TPLM. The TPLM subsequently became obsolete when the Texas Legislature passed Senate Bill 14, 78th Legislature, 2003, which replaced the benchmark rating system. The now-obsolete references and instructions for the Tear Out and Replacement of Building and Land Coverage Endorsement are removed from General Rules No. 25 and the Coding Guidelines - Premium and Coding Guidelines - Losses subsections of the FR section and

General Rules No. 26 and the Coding Guidelines - Premium and Coding Guidelines - Losses subsections of the FRO section.

TDI also proposes to remove obsolete references to coverages and sublines under the Property Protection Program (PPP). Insurance Code Article 5.35-3 authorized the PPP to provide residential property insurance coverage against loss to real or tangible personal property at a fixed location provided in a homeowners policy, residential fire and allied lines policy, or farm and ranchowners policy. Under House Bill 2017, 79th Legislature, 2005, Article 5.35 was subsequently recodified as Insurance Code Chapter 2004 and references to the PPP were removed. Because the program no longer exists, references to coverage under the PPP have been removed from the Coding Section - Premium and Loss, Coding Guidelines - Premium, and Coding Guidelines - Losses subsections of the FR section and from the Coding Guidelines - Premium and Coding Guidelines - Losses subsections of the FRO section.

Because insurers are no longer required by the statistical agent to submit a formal affidavit with report filings, TDI proposes to remove the requirement for a formal affidavit from General Rules No. 4 in both the FR and FRO sections.

Several experience report updates are made to reflect current industry practice. New codes for additional policy forms, endorsements, and coverage are added. These include codes added to the Coding Section - Premium and Loss and the Coding Guidelines - Premium subsections in both the FR and FRO sections to reflect policy forms used in the market for two additional farm insurance programs, an Independent Farm Program and the American Association of Insurance Services (AAIS) Farm Program. Codes are also added for Farm and Ranchowners Tenant Policies and related tenant forms in the Coding Section - Premium and Loss, the Coding Guidelines - Premium, and the Coding Guidelines - Losses subsections of the FRO section. Similarly, a new code for policies with an "Individual Company Enhancement Endorsement" is added to the Coding Guidelines -

Premium subsection in the FR section. Coverage, classification, and subline codes for liability are added to the Coding Section - Premium and Loss, Coding Guidelines - Premium, and Coding Guidelines - Losses subsection in the FR section to accommodate current reporting practices for liability coverage offered by farm and ranch insurers.

In addition, a new code for reinstatements of pro rata cancellations is added to the record type in the Coding Guidelines - Premium subsection of the FR and FRO sections to accommodate current reporting practices.

As clean-up, asterisks are deleted from code column entries for SKIP fields throughout both the FR and FRO sections. Asterisks in the Codes column are used to distinguish entries made by the reporting company that do not have designated codes. For a SKIP field, the Codes column entry must be blank because the field is a placeholder not currently intended for any data. An asterisk is also added to some fields where the asterisk was inadvertently shifted from the field listed above or below the SKIP field.

Because the Commercial Plan is available on TDI's website, the description of the plan in "loose leaf form" and how pages are revised or reprinted has also been deleted in General Rules No. 1 in both the FR and FRO sections. General Rules No. 17 of the FR section and General Rules No. 18 of the FRO section are revised to clarify who should submit the annual reconciliation and also clarify that reports should be submitted to TDI's statistical agent.

TDI also proposes nonsubstantive changes throughout the Commercial Plan, including typo, grammatical, and other corrections; plain language edits; TDI division name and contact information updates; updates to the name and contact information for one of the statistical agents; and style and formatting changes to reflect current TDI style preferences. A revision also clarifies that the lines of business covered by the Commercial Plan include miscellaneous personal lines, as stated in General Reporting Instructions No. 3.

Proposed amendments to §5.9501 implement HB 2067 by adopting by reference the updated version of the Commercial Plan, which is revised to add requirements and instructions for reporting data on the reasons for declinations, cancellations, and nonrenewals of certain direct commercial and miscellaneous personal insurance policies.

Proposed amendments to subsection (a)(1) provide an expanded statement of the purpose of the section: to establish requirements for data reporting by certain direct commercial lines and miscellaneous personal lines insurers under Insurance Code §38.001, §551.006, and Chapter 38. In addition to the new citations to §38.001 and §551.006, a title is added to the existing reference to Chapter 38 to conform to agency style. The reference to "miscellaneous personal lines" is added for clarity; the Commercial Plan applies to "miscellaneous personal lines" business in Texas as well as direct commercial lines.

A proposed amendment deletes subsection (a)(2) to remove the unnecessary statement that the commissioner has designated a statistical agent for commercial lines of insurance.

The first sentence of subsection (a)(3) is redesignated as subsection (a)(2), and proposed amendments replace references to reporting of premium and loss cost experience under Insurance Code §38.205 with a broader reference to the reporting requirements described in the Commercial Plan. The word "all" is deleted to avoid confusion about the insurers subject to the rule, a reference to "miscellaneous personal lines" is added for clarity, and to conform to current agency style, a title is added to the reference to Insurance Code §38.202 and the title of the Commercial Plan is italicized.

Proposed amendments to the second sentence of current subsection (a)(3) designate it as the new (a)(3) and change the word "report" to the plural form to clarify that all reports must comply with the Commercial Plan. In addition, the title of the Commercial Plan in the subsection is italicized.

A proposed amendment to subsection (a)(4) updates the effective date of the Commercial Plan to October 1, 2026.

Similarly, proposed amendments to subsection (b) update the effective date of the revised version of the Commercial Plan to be adopted by reference to October 1, 2026, and italicize the plan title. In addition, the statement about the availability of the Commercial Plan on TDI's website is shortened for clarity.

FISCAL NOTE AND LOCAL EMPLOYMENT IMPACT STATEMENT. Nicole Elliott, director and chief actuary, Property and Casualty Actuarial Office, has determined that during each year of the first five years the proposed amendments are in effect, there will be no measurable fiscal impact on state and local governments as a result of enforcing or administering the amendments, other than that imposed by statute. Ms. Elliott made this determination because the proposed amendments do not add to or decrease state revenues or expenditures, and because local governments are not involved in enforcing or complying with the proposed amendment.

Ms. Elliott does not anticipate any measurable effect on local employment or the local economy as a result of this proposal.

PUBLIC BENEFIT AND COST NOTE. For each year of the first five years the proposed amendments are in effect, Ms. Elliott expects that administering them will have the public benefit of ensuring that TDI's rules conform to the Insurance Code as amended by HB 2067. Also, the proposed new data reporting requirements in the Commercial Plan are limited in scope but serve an important purpose: the information collected is essential to protect consumers and to provide TDI with the necessary data to evaluate market activity and track trends to determine whether agency action is necessary. The data collection is also necessary to enable TDI to access and fulfill its statutory obligation to post an

aggregated summary of insurer reports on TDI's website, as required under Insurance Code §551.006(b). By providing a uniform and consistent form and manner for insurers to report the new data to TDI's statistical agents, the proposed new sections will also decrease compliance costs over time for insurers.

Ms. Elliott expects that the proposed amendments will impose an economic cost on persons required to comply with them.

Under the proposed statistical plan revisions, certain property and casualty insurers will be required to provide to TDI written reports summarizing their reasons for declination, cancellation, or nonrenewal of insurance applications or policies, as required by Insurance Code Chapter 551.

Compliance costs may include initial systems setup and process integration. TDI anticipates the proposal will impose costs on insurers from integrating the tracking, collection, and reporting of the new data into their current computer systems, databases, and business processes that are used to report existing data requirements in the Commercial Plan. These updates will be needed to ensure that insurers' systems and processes comply with the proposed new data collection and reporting requirements in the plan. Depending on the individual computer system, this integration may require significant system development, while computer systems with advanced functionality may require only minor system modifications. Insurers may need to ensure that their computer and database systems can perform system queries to extract the new categories of data and convert internal data and fields or codes to the formats prescribed by the proposed revised Commercial Plan. Costs may differ depending on how insurers choose to track, collect, and conform the data to the plan's requirements.

TDI estimates that these system and process updates may require the services of computer and information system managers, database architects, database administrators, computer systems analysts, and computer programmers. While it is not

feasible to determine the actual amount of time it would take these professionals to complete their respective tasks, TDI estimates that it could take each profession type 50 - 100 hours. Based on the Occupational Employment and Wage Statistics estimates for Texas published by the U.S. Department of Labor (DOL), Bureau of Labor Statistics (BLS) (May 2024; data.bls.gov/oes/#/area/4800000), the mean hourly wages for these professions are as follows: \$84.06 for a computer and information system manager, \$65.83 for a database architect, \$52.56 for a database administrator, \$54.98 for a computer systems analyst, and \$44.02 for a computer programmer. The actual number, types, and cost of personnel will be determined by the insurer's existing data systems, business processes, and staffing and its business decisions relating to the method of compliance.

There may also be costs associated with legal and compliance review to ensure that insurers' updated systems and processes comply with the proposed new reporting requirements. Insurers may also need to update their standard operating procedures, underwriting manuals, procedural and process documents, and other internal documentation to reflect the new system and process updates. In addition, insurance company staff will likely require training to implement the system and process updates.

TDI estimates that the compliance review and implementation efforts previously described may require the services of attorneys, compliance officers, office and administrative support staff, and first-line administrative supervisors. While it is not feasible to determine the actual amount of time it would take any professional to complete their respective tasks, TDI estimates that it could take each profession type 50 - 100 hours. Based on the Occupational Employment and Wage Statistics estimates for Texas (DOL, BLS; May 2024; data.bls.gov/oes/#/area/4800000), the mean hourly wages for these professions are as follows: \$78.29 for an attorney, \$37.76 for a compliance officer, \$22.62 for an office and administrative support worker, and \$33.94 for a first-line supervisor of office and administrative support staff. The actual number, types, and cost

of personnel will be determined by the insurer's existing data systems, business processes, and staffing and its business decisions relating to the method of compliance.

In addition to the initial implementation and compliance review costs, insurers will likely incur ongoing costs for reporting the new data to TDI's statistical agents on a monthly or quarterly basis. Because of automation or integration with existing systems, these ongoing costs for computer and database system updates are not expected to be significant for most insurers. Other ongoing costs might arise from data retrieval and aggregation, administrative and internal compliance review of reports, and staff training, as well as collaborations with the designated statistical agents for data verification and error correction cycles.

TDI estimates that these ongoing implementation tasks may require the services of computer and information system managers, database administrators, office and administrative support workers, and compliance officers. While it is not feasible to determine the actual amount of time it would take any professional to complete their respective tasks, TDI estimates that it could take each profession type 25 - 50 hours for each reporting period. Based on the Occupational Employment and Wage Statistic estimates for Texas (DOL, BLS; May 2024; data.bls.gov/oes/#/area/4800000), the mean hourly wages for these professions are as follows: \$84.06 for a computer and information system manager, \$52.56 for a database administrator, \$22.62 for an office and administrative support worker, \$33.94 for a first-line supervisor of office and administrative support staff, and \$37.76 for a compliance officer. The actual number, types, and cost of personnel will be determined by the insurer's existing data systems, business processes, and staffing and its business decisions relating to the method of compliance.

Insurers will also be required to report the numbers of declined applications and canceled or nonrenewed policies by ZIP code. Because this data is simpler than reasons-

related data, the compliance costs for these reports will likely be lower than the costs previously described.

In addition, the designated statistical agents will charge submission fees for the additional data reports required under the proposed revisions to the Commercial Plan. Insurers that choose to report data through an outside vendor or managing general agent would incur additional fees charged by those entities.

As noted in the description of experience report updates, proposed revisions to the current FR and FRO sections of the Commercial Plan add new codes for unmanned aerial systems and add a new field for larger deductibles. These changes will allow insurers to report more accurate information on deductible amounts and to reflect types of scheduled personal property that are more common currently than during previous updates to the Commercial Plan. As a result, the new codes will enable insurers to better comply with their duty under Insurance Code §38.205 to report premium and loss cost data and will also enable TDI to access more accurate and reliable data.

Although insurers are likely to incur costs in adding the new codes and new field to their data reporting systems, the costs are not expected to be significant because insurers are already required to report premium and loss data to TDI. TDI estimates that adding the new codes to insurers' data reporting systems may require the services of computer and information system managers, database architects, database administrators, computer systems analysts, and computer programmers. While it is not feasible to determine the actual amount of time it would take these professionals to complete their respective tasks, TDI estimates that it could take each profession type 10 - 15 hours.

The remaining experience report updates to the Commercial Plan are not expected to increase costs to regulated entities because the proposed requirements reflect current reporting practices, remove obsolete requirements, or correct errors. For example, the

proposed new codes for additional policy forms used in the market in the farm and ranch and farm and ranchowners sections are not expected to increase the cost of compliance because the new codes are already being used in statistical data reporting by insurers.

ECONOMIC IMPACT STATEMENT AND REGULATORY FLEXIBILITY ANALYSIS. TDI has determined that the proposed amendments will not have an adverse impact on rural communities because the rule will apply only to insurers. As a result, and in accordance with Government Code §2006.002(c), it is not necessary for TDI to address rural communities in its regulatory flexibility analysis. However, the proposal may have an adverse economic effect on small or micro businesses. The cost analysis in this proposal's Public Benefit and Cost Note section also applies to these small or micro businesses. TDI estimates that the proposed amendments may affect approximately 75 - 100 small or micro businesses.

This proposal's primary objectives are to implement HB 2067 and to gather essential data to assess consumers' access to the insurance market. TDI considered the following alternatives to lessen any adverse effect on small or micro businesses while accomplishing the proposal's objectives:

- (1) not proposing the amendments and instead collecting the needed data through ongoing data calls;
- (2) providing additional time for small or micro businesses to comply; and
- (3) exempting small or micro businesses from the proposed requirements that could create an adverse effect.

Not proposing the amendments. Not proposing the amendments would result in TDI relying on data calls to collect the data required under HB 2067. TDI would have to issue data calls for the information at least once every quarter, for the foreseeable future, and insurers would have to respond to each and every data call as they are issued. There

would be no streamlined process for collecting this important data for any insurer, regardless of size. This would mean no cost-savings would result over time due to increased efficiency, and no statistical plan to ensure consistent data collection that would allow an examination of experience comparisons over time. For these reasons, TDI rejected this option.

Providing additional time for small or micro businesses to comply. TDI determined that extending the compliance deadline for small or micro businesses was not supported by statute. HB 2067 takes effect on January 1, 2026, and requires reporting "at least once a quarter." Providing additional time for some businesses and not others would create an unlevel playing field and provide inequitable protections for consumers depending on whether they purchase or apply for a policy offered by a small or micro business. For these reasons, TDI rejected this option.

Exempting small or micro businesses from the proposed requirements that could create an adverse effect. TDI declined to exempt small or micro businesses from the sections as proposed because these businesses are required to comply with HB 2067 and the rules implementing that bill. In addition, if small or micro businesses were exempt from the new reporting requirements under the Commercial Plan, they would be required to collect and report the data under HB 2067 via another method, such as responding to monthly or quarterly data calls. These alternative methods would likely be less efficient and more prone to errors. Further, collection of the new data will provide TDI with a holistic view of market activity and allow it to address issues affecting consumer access to insurance products. An exemption would prevent TDI from identifying issues impacting small or micro businesses in particular. For these reasons, TDI rejected this option.

EXAMINATION OF COSTS UNDER GOVERNMENT CODE §2001.0045. TDI has determined that this proposal does impose a possible cost on regulated persons.

However, no additional rule amendments are required under Government Code §2001.0045 because the proposed amendments are necessary to implement legislation and to protect the health, safety, and welfare of Texas residents. The proposed rule implements Insurance Code §551.006, as added by HB 2067, and §38.202.

GOVERNMENT GROWTH IMPACT STATEMENT. TDI has determined that for each year of the first five years that the proposed amendments are in effect, the proposed rule:

- will not create or eliminate a government program;
- will not require the creation of new employee positions or the elimination of existing employee positions;
- will not require an increase or decrease in future legislative appropriations to the agency;
- will not require an increase or decrease in fees paid to the agency;
- will create a new regulation;
- will expand, limit, or repeal an existing regulation;
- will increase the number of individuals subject to the rule's applicability; and
- will not positively or adversely affect the Texas economy.

Although the proposed rule will not affect fees paid to TDI, TDI's designated statistical agents may require additional or increased fees for insurers' submission of the new data. In addition, the proposed amendments to the Commercial Plan will expand requirements for certain direct commercial and miscellaneous personal lines of insurance.

TAKINGS IMPACT ASSESSMENT. TDI has determined that no private real property interests are affected by this proposal and that this proposal does not restrict or limit an owner's right to property that would otherwise exist in the absence of government action. As a result, this proposal does not constitute a taking or require a takings impact assessment under Government Code §2007.043.

REQUEST FOR PUBLIC COMMENT. TDI will consider any written comments on the proposal that are received by TDI no later than 5:00 p.m., central time, on June 22, 2026. Consistent with Government Code §2001.024(a)(8), TDI requests public comments on the proposal, including information related to the cost, benefit, or effect of the proposal and any applicable data, research, and analysis. Send your comments to ChiefClerk@tdi.texas.gov or to the Office of the Chief Clerk, MC: GC-CCO, Texas Department of Insurance, P.O. Box 12030, Austin, Texas 78711-2030.

The commissioner of insurance will also consider written and oral comments on the proposal in a public hearing under Docket No. 2865. This proposal may be part of a rule hearing docket that will begin at 10:00 a.m., central time, on June 15, 2026. TDI will hold the public hearing both remotely and in person at the Barbara Jordan State Office Building, 1601 Congress Avenue, Austin, Texas 78701 in Room 2.029. Visit www.tdi.texas.gov/alert/event/index.html for more information on the proposed rule, hearing, and comment submission.

Subchapter O. Statistical Plans 28 TAC §5.9501

STATUTORY AUTHORITY. TDI proposes amendments to §5.9501 under Insurance Code §§38.001(b), 38.202, 38.204(a), 38.205 - 38.207, 551.006, 551.112, and 36.001.

Insurance Code §38.001(b) authorizes TDI to address a reasonable inquiry to any insurance company or other holder of an authorization relating to the business condition

or any matter connected with the person's transactions that TDI considers necessary for the public good or for the proper discharge of TDI's duties.

Insurance Code §38.202 allows the commissioner to, for a line or subline of insurance, designate or contract with a qualified organization to serve as the statistical agent for the commissioner to gather data relevant for regulatory purposes.

Insurance Code §38.204(a) provides that a designated statistical agent must collect data from reporting insurers under a statistical plan adopted by the commissioner.

Insurance Code §38.205 provides that insurers must provide all premium and loss cost data to the commissioner or designated statistical agent as the commissioner or agent requires.

Insurance Code §38.206 authorizes the statistical agent to collect from reporting insurers any fees necessary for the agent to recover the necessary and reasonable costs of collecting data from that reporting insurer.

Insurance Code §38.207 authorizes the commissioner to adopt rules necessary to accomplish the purposes of Insurance Code Chapter 38, Subchapter E.

Insurance Code §551.006 authorizes the commissioner to prescribe the form and manner of an insurer's written report summarizing the insurer's reasons for declination, cancellation, or nonrenewal provided to applicants or policyholders as required by Insurance Code Chapter 551.

Insurance Code §551.112 authorizes the commissioner to adopt rules relating to the cancellation and nonrenewal of insurance policies.

Insurance Code §36.001 provides that the commissioner may adopt any rules necessary and appropriate to implement the powers and duties of TDI under the Insurance Code and other laws of this state.

CROSS-REFERENCE TO STATUTE. Section 5.9501 implements Insurance Code Chapter 38, Subchapters A and E, and Chapter 551, Subchapters A - C.

TEXT.

§5.9501. Texas Commercial Lines Statistical Plan.

(a) Purpose and Applicability.

(1) The purpose of this section is to establish requirements for the reporting of ~~[premium and loss]~~ data by certain direct commercial and miscellaneous personal lines insurers under Insurance Code Chapter 38, Subchapter E, concerning Statistical Data Collection; Insurance Code §38.001, concerning Inquiries; and Insurance Code §551.006, concerning Report Required.

~~[(2) Under Insurance Code §38.202, the commissioner has designated a statistical agent for commercial lines of insurance.]~~

(2) Insurers ~~[(3) As provided by Insurance Code §38.205, all insurers]~~ writing direct commercial and miscellaneous personal lines business in Texas must ~~[are required to]~~ provide the required reports described in the *Texas Commercial Lines Statistical Plan* adopted by reference in subsection (b) of this section ~~[a report of their premium and loss cost experience]~~ to the commissioner or the statistical agent designated under Insurance Code §38.202, concerning Statistical Agent.

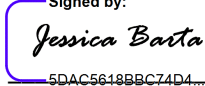
(3) The reports ~~[report]~~ must comply with the reporting requirements and instructions specified in the *Texas Commercial Lines Statistical Plan* ~~[Texas Commercial Lines Statistical Plan]~~ adopted by reference in subsection (b) of this section.

(4) This section applies to all reports required to be filed with the department under this section for reporting periods beginning on or after October 1, 2026 ~~[July 1, 2017].~~

(b) Adoption by Reference. The commissioner adopts by reference the Texas Commercial Lines Statistical Plan [~~Texas Commercial Lines Statistical Plan~~], effective October 1, 2026 [~~July 1, 2017~~]. This document is published [~~by the department and is available~~] on the department's website at www.tdi.texas.gov.

CERTIFICATION. The agency certifies that legal counsel has reviewed the proposal and found it to be within the state agency's legal authority to adopt.

Issued in Austin, Texas, on May 6, 2026.

Signed by:

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Jessica Barta, General Counsel
Texas Department of Insurance