



Xiuyu Li, ACAS, MAAA
Senior Actuary
Manager of Actuarial Analysis

August 14, 2019

Mrs. J'ne Elizabeth Byckovski
Chief Actuary
Texas Department of Insurance
333 Guadalupe Street
Austin, TX 78714-9104

RE: Texas Windstorm Insurance Association Adjustments to Maximum Liability Limits

Dear J'ne:

Section 2210.502(a) of the Texas Insurance Code states that the Texas Windstorm Insurance Association shall propose to the Commissioner inflation adjustments to its maximum liability limits at a rate that reflects any change in the BOECKH index.

On August 6, 2019, the Board of Directors of the Association approved the filing of increased limits as indicated by changes in the BOECKH index. These indicated limits are as follows:

	Current 2019	Proposed 2020	% Change
Dwellings and individually owned townhouses	\$1,773,000	\$1,809,000	2.0%
Contents of an apartment, condominium, or townhouse	\$374,000	\$381,000	1.9%
Commercial structures and associated contents	\$4,424,000	\$4,519,000	2.1%

The limit of liability for governmental buildings and corporeal movable property shall be indexed and adjusted as provided for commercial structures and associated contents, per Texas Insurance Code Section 2210.502(d).

Supporting documents are attached.

We look forward to the Commissioner's consideration of the proposed limits. If you or your staff have any questions or comments, please contact Jerry Fadden or me.

Respectfully,

Xiuyu Li

Texas Windstorm Insurance Association
Proposed Limits of Liability
To Be Effective January 1, 2020
Impact on Exposures In-Force as of 6/30/19



Statutory Limits of Liability

	Current	Proposed	Increase
Dwelling	1,773,000	1,809,000	36,000
Contents	374,000	381,000	7,000
Non-Dwelling	4,424,000	4,519,000	95,000

	Risks at Statutory Limits	<u>Exposure</u> Current	Proposed	Increase
Dwelling	5	8,865,000	9,045,000	180,000
Contents	121	45,254,000	46,101,000	847,000
Non-Dwelling	118	522,032,000	533,242,000	11,210,000
Total	244	576,151,000	588,388,000	12,237,000
Total TWIA Exposure				56,113,157,617
% Increase in TWIA Exposure				0.02%