



MEMORANDUM

DATE: February 27, 2026
TO: Marianne Baker, Texas Department of Insurance, Property & Casualty Lines
FROM: Cindy Watkins, Manager, Legal & Compliance
RE: TWIA Instructions & Guidelines Manual

In accordance with Title 28 Texas Administrative Code §5.9342(a)(2), below please find a description of the changes to the TWIA Instructions & Guidelines Manual (“manual”), which have been made to reflect the following legislation:

- House Bill 2518, 89th Texas Legislative Session: Prohibiting the use of premium financing arrangements for TWIA policies.
- House Bill 1900, 88th Texas Legislative Session: Increasing the notice period for non-renewal notices from 30 days to 60 days.
- Senate Bill 2233, 88th Texas Legislative Session: Removing the requirement for automatic renewals for TWIA commercial policies.

All other changes made to the manual are also detailed in the table below. The page numbers listed in the table below reflect the page numbers in the bottom left-hand corner of the “Instructions and Guidelines Manual Redline” document.

Guideline Section	Description of Change
Entire Document	The effective date has been updated to “02/27/26”.
Agent/Agency License Information and Reciprocity (p.8)	Moved Agent/Agency License Information section from p.24 and renamed. Added in requirement that in order to write coverage with TWIA, an agent/agency must hold the appropriate, active license.
TWIA Agent Requirements and Performance Standards (p.9)	Added in requirement that agents acknowledge and agree to the TWIA Agent Requirements.



Guideline Section	Description of Change
Residential Risks (p. 9)	Renamed the section previously labelled Dwellings. Added permit cabins to residential risks. TWIA already offered coverage for this type of structure, but it had not been included in the list.
Renewals (p.17)	Updated the non-renewal notice mail out from 30 days to 60 days in advance of the policy expiration. Added language stating that commercial renewal offers will not be generated automatically, and that agents must manually move a commercial renewal from draft or quoted status to renewal status in order for the renewal to be processed. Removed reference to Premium Finance as a payment option. Requalification requirement details added.
Policyholder Payment Options (p.20)	Updated the name of the button to click to submit payment through the Policyholder Portal. Removed reference to TWIA’s legacy system and the third-party payment website.
Agent Payment Options (p.21)	Removed reference to premium finance company as a payment option. Removed requirement for an agent to enter the insurance agency’s bank account and routing numbers for EFT payments.



Guideline Section	Description of Change
	Removed language noting that installments are not available with an EFT payment option.
Installments (p.22)	Added TWIA 10 Pay as an installment option.
Payment Plans at a Glance (p.23)	<p>Added language stating that installments must be received by the due date to avoid policy cancellation.</p> <p>Added language stating that TWIA 10 Pay Plan requires enrolment in the Policyholder Portal and authorization to Auto Draft payments.</p>
Maximum Limits of Liability (p.25)	<p>Removed wording explaining the maximum limits of liability are set for policies effective on or after January 1, 2016.</p> <p>Increased maximum amount of liability for manufactured homes from \$96,000 to \$116,700, noting that for policies issued or renewed on or after January 1, 2026, the limit is \$119,000.</p>
Cancellations - (p. 28)	<p>Restructured section to list Policyholder cancellations, then TWIA, then Agent.</p> <p>The policyholder-initiated cancellation wording has been updated to clarify that TWIA retains the entire premium unless cancellation was requested for one of the prescribed reasons, as listed in House Bill 3208, passed during the 88th Texas legislative session. Death of policyholder added to the prescribed reasons for cancellation.</p>



Guideline Section	Description of Change
	<p>Added language related to TWIA initiated cancellations, and the information that will be included in a cancellation notice.</p> <p>Updated the Agent Initiated Cancellations section with non-substantive changes and removed reference to Premium Finance.</p>
Permit Cabins (p.35)	Added requirements to apply for coverage on a Permit Cabin.
Indirect Loss Endorsement and Percentages (p.37)	<p>Added information and descriptions related to:</p> <ul style="list-style-type: none"> • Form TWIA-311 Extension of Coverage – Additional Living Expenses • Form TWIA-321 Wind-Driven Rain • Form TWIA-331 Extension of Coverage – Consequential Loss
Actual Cash Value Roof Endorsement TWIA-804 (p.40)	Updated endorsement number from TWIA-400 to TWIA-804.
Replacement Cost Coverage A (Dwelling) Form TWIA-802 (p. 43)	Removed language regarding the future effective date for this endorsement.
Specified Building or Structure Exclusion Form TWIA-810 (p. 45)	Removed language regarding the future effective date for this endorsement.
Approval Report (p.58)	Removed language referring to reports over 5 years old. Non-substantive correction made.

Please note, the above-described changes are the only updates that have been made to the manual. Attached please find a redlined version of the existing manual showing the pages with proposed changes, as well as a clean copy of the proposed revised pages from the manual.