



Xiuyu Li, ACAS, MAAA  
Actuary

August 7, 2018

P-0818-08

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 July 31, 2018, 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 2018	Proposed 2019	% Change
Dwellings and individually owned townhouses	\$1,773,000	\$1,847,000	4.2%
Contents of an apartment, condominium, or townhouse	\$374,000	\$391,000	4.5%
Commercial structures and associated contents	\$4,424,000	\$4,595,000	3.9%

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, 2019**  
Impact on Exposures In-Force as of 6/30/18



Statutory Limits of Liability

	Current	Proposed	Increase
Dwelling	1,773,000	1,847,000	74,000
Contents	374,000	391,000	17,000
Non-Dwelling	4,424,000	4,595,000	171,000

	Risks at Statutory Limits	<u>Exposure</u> Current	Proposed	Increase
Dwelling	93	164,889,000	171,771,000	6,882,000
Contents	45	16,830,000	17,595,000	765,000
Non-Dwelling	130	575,120,000	597,350,000	22,230,000
<b>Total</b>	<b>268</b>	<b>756,839,000</b>	<b>786,716,000</b>	<b>29,877,000</b>
Total TWIA Exposure				61,188,170,844
% Increase in TWIA Exposure				0.05%