

## **Texas Automobile Insurance Plan Association Filing Request for Amendments to Texas Plan of Operation**

The Commissioner of Insurance will consider the Texas Automobile Insurance Plan Association's (TAIPA) request to amend its *Texas Plan of Operation* (Plan) concerning the selection of governing committee members. On March 29, 2019, TAIPA filed the proposed changes with TDI for Commissioner approval under Insurance Code §2151.151(b).

TAIPA is administered by a manager and a governing committee. The current governing committee includes 15 members. Eight of the 15 members represent insurer interests and are selected by certain association members identified in the Plan:

- four members are elected by TAIPA members;
- three members are selected by three trade associations; and
- one member is selected by an association member who has no affiliation with the three trade associations.

The three trade associations named in the current Plan are the American Insurance Association, Property Casualty Insurers Association of America, and Association of Fire & Casualty Companies in Texas. The American Insurance Association and Property Casualty Insurers Association of America recently merged to become the American Property Casualty Insurance Association. The governing committee proposes to amend the Plan to reflect this merger.

Due to the merger, TAIPA will choose an additional trade association that will select an insurer member. The governing committee proposes to name the National Association of Mutual Insurance Companies (NAMIC) as one of the three trade associations that can select an insurer member to serve on the governing committee. NAMIC represents the interests of mutual insurers in Texas.

On March 22, 2019, the governing committee voted in favor of the proposed amendment under Section 39 of the Plan. You can view the proposed amended Plan, which reflects the changes outlined above and provides information about NAMIC, in [Exhibit A](#). The following section of the Plan will be affected by the requested amendment:

Sec. 36. ADMINISTRATION

A. Governing Committee Composition

**Current Language:**

1. Eight members shall represent the interests of insurers. To be eligible to act as a representative of insurers, a person must be a full time employee of an authorized insurer. Representatives of the insurers shall be elected by the members of the Association as follows:

a. One insurer member shall be selected by each of the following trade associations:

American Insurance Association (AIA)

Association of Fire & Casualty Companies in Texas (AFACT)

Property Casualty Insurers Association of America (PCI)

**Proposed Language:**

1. Eight members shall represent the interests of insurers. To be eligible to act as a representative of insurers, a person must be a full time employee of an authorized insurer. Representatives of the insurers shall be elected by the members of the Association as follows:

a. One insurer member shall be selected by each of the following trade associations:

American Property Casualty Insurance Association (APCIA)

Association of Fire & Casualty Companies in Texas (AFACT)

National Association of Mutual Insurance Companies (NAMIC)

The Commissioner has jurisdiction over this matter under Insurance Code §2151.151(b). The Commissioner will consider comments on the proposed changes before issuing an order on the amended Plan.

Notice

Amendments to Section 36.A. of the TAIPA *Texas Plan of Operation*

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TDI requests written comments on or before 5 p.m., Central time, on September 3, 2019.  
Send comments by email to [ChiefClerk@tdi.texas.gov](mailto:ChiefClerk@tdi.texas.gov), or by mail to:

Office of the Chief Clerk, Mail Code 113-2A  
Texas Department of Insurance  
P.O. Box 149104  
Austin, Texas 78714-9104

Issued in Austin, Texas, on July 19, 2019.

*/s/ James Person*

James Person, General Counsel  
Texas Department of Insurance