

## **TSLA Regulatory Liaison Committee Update from TDI meeting on 07/09/2025**

We spent a good portion of the meeting discussing House Bill 3388, which sets new rules for group personal lines property and casualty insurance. The bill requires disclosure of aggregate limits and timely delivery of policies and certificates to group members.

Keith noted that the legislative committee didn't see a clear benefit or harm, but several implementation concerns were raised, especially around determining the insured's home state, and managing taxes and certificates.

The group discussed the recent flooding in Texas and the ongoing challenges around flood insurance availability. Outdated flood maps continue to create confusion about actual risk and reduce public interest in coverage. Camps along the Guadalupe River were mentioned as especially vulnerable, facing both safety concerns and property value impacts.

We talked about the increasing difficulty of insuring \$4-\$8M+ homes in the admitted market, which led to a broader discussion on Texas's unique property challenges. With exposure to hail, hurricanes, flooding, tornadoes, and wildfires, Texas remains one of the hardest property markets to write, limiting admitted capacity even for well-qualified risks.

We reviewed the requirements for out-of-state arbitration, which now require clear acknowledgment and signature from policyholders. Some carriers continue to prefer New York jurisdiction for consistency. While the group supports freedom of rate and form, concerns were raised about how these provisions affect smaller insureds like school districts and local businesses, who may not have the same legal resources as larger companies.

We also learned about proactive efforts to reduce wildfire risk in Texas. The state has a controlled burn program through Texas A&M aimed at preventing large-scale wildfires, and work is underway to upgrade the state's emergency alarm and response systems.

Overall, it was a productive meeting with our partners at TDI. The dialogue continues to improve, and each meeting feels more collaborative than the last.

Respectfully submitted,

Josh Taylor, Chairperson