

Texas Windstorm Insurance Association (TWIA)

- The Texas Windstorm Insurance Association (TWIA) was created by the Texas Legislature in 1971 in response to a severe shortage of wind/hail coverage along the Texas coast following the aftermath of Hurricane Celia.
- TWIA provides windstorm and hail coverage for property owners in the 14-county area adjacent to the Texas coastline and portions of Harris County.
- Companies licensed to write residential and commercial property insurance in Texas are required to participate in TWIA and share in its losses in proportion to their property premium volume in the voluntary market.
- TWIA is one of the largest “windpools” in the U.S. with approximately \$64.5 billion of insurance in force, protecting more than 216,000 insured risks as of December 31, 2007.
- Assessments: Extraordinary TWIA losses are assessed back to the member insurers in coordination with a catastrophe reserve trust fund and an extensive catastrophe reinsurance program. Assessments for losses are indexed to an individual insurer’s share of the over-all Texas market. Insurers may deduct from their state premium taxes all TWIA assessments in excess of \$300 million. The State of Texas is the ultimate insurer of TWIA hurricane losses over and above the reinsurance program, the catastrophe trust fund and insurer assessments.