## Table of Contents

		PAGE
SUMMA	ARY	
	Staff Recommendations	1
	Legislative Action	8-a
TEXAS	DEPARTMENT OF INSURANCE (TDI)	
	/Recommendations	
1	Rate Regulation for Homeowners Insurance Lacks Clarity, Predictability, and Transparency	9
	Commission Decision (page 18-c)	
	Legislative Action (page 18-d)	
2	TDI's Involvement in TWIA's Operations, Along With Other Restrictions in Law, Limit the Department's Ability to Effectively Oversee TWIA as a Market of Last Resort	19
	Commission Decision (page 32-e)	
	Legislative Action (page 32-e)	
3	The State's Lack of Regulation of Preferred Provider Organizations  Does Not Correspond With Changes in the Texas Healthcare Market	33
	Commission Decision (page 40-b)	
	Legislative Action (page 40-b)	
4	TDI Cannot Effectively Regulate Title Insurance Without Independent Financial Examinations and More Comprehensive Reporting	41
	Commission Decision (page 48-b)	
	Legislative Action (page 48-b)	
5	The Statutory Cap on the Maintenance Tax of One Insurance Line Forces TDI to Inequitably Spread Costs Across Other Insurance Lines	49
	Commission Decision (page 54-a)	
	Legislative Action (page 54-a)	
6	Most of TDI's Advisory Committees No Longer Need to Be in Law	55
	Commission Decision (page 62-b)	
	Legislative Action (page 62-b)	

Commission Decision (page 68-b)  Legislative Action (page 68-b)  8 The State Fire Marshal's Office Lacks the Ability to Issue Fines to Ensure Licensee Compliance			
Legislative Action (page 68-b)  8 The State Fire Marshal's Office Lacks the Ability to Issue Fines to Ensure Licensee Compliance	7	·	63
8 The State Fire Marshal's Office Lacks the Ability to Issue Fines to Ensure Licensee Compliance		Commission Decision (page 68-b)	
Ensure Licensee Compliance		Legislative Action (page 68-b)	
Legislative Action (page 72-a)  9 The State Has a Continuing Need for the Texas Department of Insurance	8	•	69
9 The State Has a Continuing Need for the Texas Department of Insurance		Commission Decision (page 72-a)	
Commission Decision (page 78-c) Legislative Action (page 78-c)  EXAS DEPARTMENT OF INSURANCE ACROSS-THE-BOARD RECOMMENDATIONS (ATBs)  EXAS DEPARTMENT OF INSURANCE AGENCY INFORMATION  OFFICE OF PUBLIC INSURANCE COUNSEL (OPIC) SSUE/RECOMMENDATIONS  1 Texas Needs Consumer Representation in Insurance Regulation, But No Longer Needs a Separate State Agency to Advocate on Behalf of Consumers		Legislative Action (page 72-a)	
Legislative Action (page 78-c)  FEXAS DEPARTMENT OF INSURANCE ACROSS-THE-BOARD RECOMMENDATIONS (ATBs)  FEXAS DEPARTMENT OF INSURANCE AGENCY INFORMATION  OFFICE OF PUBLIC INSURANCE COUNSEL (OPIC) SSUE/RECOMMENDATIONS  1 Texas Needs Consumer Representation in Insurance Regulation, But No Longer Needs a Separate State Agency to Advocate on Behalf of Consumers	9	The State Has a Continuing Need for the Texas Department of Insurance	73
EXAS DEPARTMENT OF INSURANCE ACROSS-THE-BOARD RECOMMENDATIONS (ATBs)  EXAS DEPARTMENT OF INSURANCE AGENCY INFORMATION  DEFICE OF PUBLIC INSURANCE COUNSEL (OPIC) ASSUE/RECOMMENDATIONS  1 Texas Needs Consumer Representation in Insurance Regulation, But No Longer Needs a Separate State Agency to Advocate on Behalf of Consumers		Commission Decision (page 78-c)	
DEFICE OF PUBLIC INSURANCE COUNSEL (OPIC) SSUE/RECOMMENDATIONS  1 Texas Needs Consumer Representation in Insurance Regulation, But No Longer Needs a Separate State Agency to Advocate on Behalf of Consumers		Legislative Action (page 78-c)	
OFFICE OF PUBLIC INSURANCE COUNSEL (OPIC)  SSUE/RECOMMENDATIONS  1 Texas Needs Consumer Representation in Insurance Regulation, But No Longer Needs a Separate State Agency to Advocate on Behalf of Consumers	<b>A</b> cros	s-the-Board Recommendations (ATBs)	7
SSUE/RECOMMENDATIONS  1 Texas Needs Consumer Representation in Insurance Regulation, But No Longer Needs a Separate State Agency to Advocate on Behalf of Consumers	Acros	S-THE-BOARD RECOMMENDATIONS (ATBs)  DEPARTMENT OF INSURANCE	79
1 Texas Needs Consumer Representation in Insurance Regulation, But No Longer Needs a Separate State Agency to Advocate on Behalf of Consumers	Acros	S-THE-BOARD RECOMMENDATIONS (ATBs)  DEPARTMENT OF INSURANCE	
Commission Decision (page 116-g) Legislative Action (page 116-g)  OFFICE OF PUBLIC INSURANCE COUNSEL  AGENCY INFORMATION	ACROS FEXAS AGENC	S-THE-BOARD RECOMMENDATIONS (ATBs)  DEPARTMENT OF INSURANCE Y INFORMATION  OF PUBLIC INSURANCE COUNSEL (OPIC)	
Legislative Action (page 116-g)  OFFICE OF PUBLIC INSURANCE COUNSEL  AGENCY INFORMATION	ACROS FEXAS AGENC OFFICE SSUE/F	DEPARTMENT OF INSURANCE Y INFORMATION  OF PUBLIC INSURANCE COUNSEL (OPIC)  RECOMMENDATIONS  Texas Needs Consumer Representation in Insurance Regulation, But No Longer Needs a Separate State Agency to Advocate on Behalf	79 81
AGENCY INFORMATION	ACROS FEXAS AGENC OFFICE SSUE/F	DEPARTMENT OF INSURANCE Y INFORMATION  OF PUBLIC INSURANCE COUNSEL (OPIC) RECOMMENDATIONS  Texas Needs Consumer Representation in Insurance Regulation, But No Longer Needs a Separate State Agency to Advocate on Behalf of Consumers	
AGENCY INFORMATION	ACROS FEXAS AGENC OFFICE SSUE/F	DEPARTMENT OF INSURANCE Y INFORMATION  OF PUBLIC INSURANCE COUNSEL (OPIC) RECOMMENDATIONS  Texas Needs Consumer Representation in Insurance Regulation, But No Longer Needs a Separate State Agency to Advocate on Behalf of Consumers.  Commission Decision (page 116-g)	8
4.0	ACROS FEXAS AGENC  OFFICE SSUE/F	DEPARTMENT OF INSURANCE Y INFORMATION  OF PUBLIC INSURANCE COUNSEL (OPIC) RECOMMENDATIONS  Texas Needs Consumer Representation in Insurance Regulation, But No Longer Needs a Separate State Agency to Advocate on Behalf of Consumers	81
	ACROS FEXAS AGENC  OFFICE SSUE/F	DEPARTMENT OF INSURANCE Y INFORMATION  OF PUBLIC INSURANCE COUNSEL (OPIC) RECOMMENDATIONS  Texas Needs Consumer Representation in Insurance Regulation, But No Longer Needs a Separate State Agency to Advocate on Behalf of Consumers	8

	Page	
APPENDICES		
Appendix A — Texas Windstorm Insurance Association	125	
Appendix B — TDI Equal Employment Opportunity Statistics	131	
Appendix C — TDI Historically Underutilized Businesses Statistics	135	
Appendix D — TDI Programs to Increase Availability of Health Insurance	139	
Appendix E — Number and Type of Insurance Entities in Texas	141	
Appendix F — Insurance Rate Regulation	143	
Appendix G — Insurance Form Regulation	145	
Appendix H — Number and Type of TDI Occupational Licensees	149	
Appendix I — Number and Type of State Fire Marshal's Office Licensees	153	
Appendix J — OPIC Equal Employment Opportunity Statistics	155	
Appendix K — OPIC Historically Underutilized Businesses Statistics	157	
Appendix L — Staff Review Activities	159	
New Issues		
Texas Department of Insurance  Commission Decision (page 176)  Legislative Action (page 176)	161	
Office of Public Insurance Counsel  Commission Decision (page 178)  Legislative Action (page 178)	177	
PROVISIONS ADDED BY THE LEGISLATURE  Texas Department of Insurance		