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TEXAS AUTOMOBILE INSURANCE PLAN ASSOCIATION

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Bulletin 255

June 6, 2023

To: TAIPA Member Companies TAIPA Certified Producers

TAIPA PLAN OF OPERATIONS SECTION 50 MOTOR VEHICLE CRIME PREVENTION AUTHORITY CHANGE IN PASS THROUGH FEE

Effective immediately, the Texas Legislature enacted Senate Bill 224 which increases the fee each insurer must pay to the Motor Vehicle Crime Prevention Authority from \$4 to \$5 per motor vehicle year.

Please note that the Texas Department of Insurance sent out Commissioner's Bulletin # B-0006-23 on June 6, 2023. You can link to it at: <u>https://www.tdi.texas.gov/bulletins/2023/B-0006-</u> <u>23.html</u>. By law, insurers must pay a fee to the MVCPA. TDI's rule (Title 28 Texas Administrative Code <u>§5.205</u>) allows—but does not require—insurers to recoup all or part of that fee from policyholders. Rule <u>§5.205</u> requires insurers to submit a rate and rule filing if they will pass on any of the fee to policyholders. Insurers should review the bulletin for additional information.

If you have any questions regarding this amendment, please contact TAIPA Customer Service at <u>customer.service@taipa.org</u>.

Sincerely,

Stacy Dutton Association Manager