

TAIPA

TEXAS AUTOMOBILE INSURANCE PLAN ASSOCIATION

MARGARET ALSOBROOK
OPERATIONS MANAGER

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June 21, 1996

TAIPA Bulletin No. 38A

To: Member Companies

Additions & Revision to Bulletin 38

Attached please find the Commissioner's additions and revisions to the Bulletin B0039-96 which was mailed with TAIPA Bulletin number 38.

Sincerely,



Margaret Alsobrook
Operations Manager

MDA:dr
enclosure



Texas Department of Insurance

333 Guadalupe Street P.O. Box 149104 Austin, Texas 78714-9104
512/463-6169

COMMISSIONER'S BULLETIN NO. B-0045-96

DATE: June 20, 1996

ALL INSURANCE COMPANIES, CORPORATIONS, EXCHANGES,
MUTUALS, RECIPROCALLS, ASSOCIATIONS, LLOYDS OR OTHER
INSURERS WRITING AUTOMOBILE INSURANCE IN THE STATE OF
TEXAS

TEXAS PRIVATE PASSENGER AND COMMERCIAL AUTOMOBILE
BENCHMARK RATES AND FLEXIBILITY BANDS

The following revisions have been made to the private passenger rate bulletin and to the commercial auto machine letter and rate bulletin. Please follow the instructions outlined below to update your machine letter and rate bulletins:

1. Replace pages 23 ("Collision Rates per \$100 of Insurance") and 24 ("Collision -- Stated Amount") of the Private Passenger Rate Bulletin with the attached pages 23 ("Collision Rates per \$100 of Insurance") and 24 ("Collision -- Stated Amount").
2. Replace pages 15 ("Commercial Zone Rating Table -- Zone 9") and 16 ("Commercial Zone Rating Table -- Zone 13") of the Commercial Auto Rate Bulletin with the attached pages 15 ("Commercial Zone Rating Table -- Zone 9") and 16 ("Commercial Zone Rating Table -- Zone 13").
3. Add new pages 35 ("Trucks, Tractors, and Trailers -- Non-Fleet Primary Classifications") and 36 ("Trucks, Tractors, and Trailers -- Fleet Primary Classifications") to the back of the Commercial Auto Machine Letter.

Also, please note that the revised liability multi-car discount percentage (page 1) and the unrevised physical damage multi-car discount percentage (page 8) were included in the private passenger machine letter only to assist companies in their programming efforts this year.

We apologize for any inconvenience these revisions may cause.

Sincerely,

A handwritten signature in black ink, appearing to read "C.H. Mah", written over a horizontal line.

C.H. Mah
Associate Commissioner
Technical Analysis

PHYSICAL DAMAGE
PRIVATE PASSENGER STATED AMOUNT
COLLISION RATES PER \$100 OF INSURANCE

TERRITORY	BASE RATE		
	\$200 DEDUCTIBLE	\$250 DEDUCTIBLE	\$500 DEDUCTIBLE
01	\$1.52	\$1.44	\$1.12
02	1.73	1.64	1.28
03	1.52	1.44	1.12
04	1.49	1.42	1.10
05	1.39	1.32	1.03
06	1.57	1.49	1.16
07	1.23	1.17	0.91
10	1.38	1.31	1.02
11	1.33	1.26	0.98
12	1.64	1.56	1.21
13	1.36	1.29	1.01
14	1.60	1.52	1.18
16	1.14	1.08	0.84
20	1.29	1.23	0.95
21	1.44	1.37	1.07
22	1.40	1.33	1.04
23	1.52	1.44	1.12
24	1.52	1.44	1.12
27	1.51	1.43	1.12
28	1.56	1.48	1.15
31	1.37	1.30	1.01
32	1.53	1.45	1.13
34	1.42	1.35	1.05
37	1.33	1.26	0.98
38	1.53	1.45	1.13
39	1.67	1.59	1.24
40	1.41	1.34	1.04
41	1.50	1.43	1.11
42	1.61	1.53	1.19
43	1.42	1.35	1.05
44	1.65	1.57	1.22
45	1.57	1.49	1.16
46	1.47	1.40	1.09
47	1.60	1.52	1.18
48	1.39	1.32	1.03
49	1.51	1.43	1.12
51	1.33	1.26	0.98
52	1.42	1.35	1.05
53	1.42	1.35	1.05
54	1.31	1.24	0.97
55	1.20	1.14	0.89
56	1.55	1.47	1.15
57	1.39	1.32	1.03
58	1.23	1.17	0.91
59	1.34	1.27	0.99
60	1.27	1.21	0.94
61	1.34	1.27	0.99
62	1.26	1.20	0.93
63	1.47	1.40	1.09
64	1.35	1.28	1.00
65	1.30	1.24	0.96
66	1.24	1.18	0.92

PHYSICAL DAMAGE
PRIVATE PASSENGER AUTOMOBILE
COLLISION - STATED AMOUNT

SYMBOL GROUP	MODEL YEAR	DIFFERENTIALS
1	1989 & Earlier	1.240
2	1989 & Earlier	1.220
3	1989 & Earlier	1.130
4	1989 & Earlier	1.000
5	1989 & Earlier	0.890
6	1989 & Earlier	0.785
7	1989 & Earlier	0.689
8	1976-1989	0.591
10	1976-1989	0.545
11	1976-1989	0.481
12	1976-1989	0.437
13	1976-1989	0.404
14	1976-1981	0.355
14	1982-1989	0.366
15	1982-1989	0.335
16	1982-1989	0.306
17	1982-1989	0.277
18	1982-1989	0.249
19	1982-1989	0.222
20	1982-1989	0.197
21	1982-1989	0.159

SYMBOL GROUP	MODEL YEAR	DIFFERENTIALS
1	1990 & Later	1.000
2	1990 & Later	0.689
3	1990 & Later	0.615
4	1990 & Later	0.585
5	1990 & Later	0.553
6	1990 & Later	0.524
7	1990 & Later	0.492
8	1990 & Later	0.473
10	1990 & Later	0.453
11	1990 & Later	0.432
12	1990 & Later	0.412
13	1990 & Later	0.397
14	1990 & Later	0.379
15	1990 & Later	0.360
16	1990 & Later	0.343
17	1990 & Later	0.330
18	1990 & Later	0.318
19	1990 & Later	0.302
20	1990 & Later	0.286
21	1990 & Later	0.269
22	1990 & Later	0.249
23	1990 & Later	0.231
24	1990 & Later	0.210
25	1990 & Later	0.188
26	1990 & Later	0.166
27	1990 & Later	(a)

CLASS DIFFERENTIALS	
CLASS	VALUE
1A	1.00
1B	1.12
1C	0.95
2A-1	2.90
2A-2	1.78
2C-1	4.49
2C-2	2.55
2D	3.11
3	1.16
3A	1.05
6A	1.00
6B	1.12
6C	0.95
8	1.42
8A	1.41
1AF	0.96
2AF-1	2.66
2AF-2	1.30
2CF-1	4.70
2CF-2	3.60
2DF	2.46
6AF	0.96
7	1.18

METHOD OF CALCULATION (1989 & Earlier):

- (1) Multiply the appropriate deductible base rate by the symbol group differential and round to the nearest cent.
- (2) Multiply the result in (1) by the class differential and round to the nearest cent.

EXAMPLE: \$500 deductible collision, class 1B, territory 02, symbol 8.
 (1) $\$1.28 \times 0.591 = \0.76
 (2) $\$0.76 \times 1.12 = \0.85

(a) Subtract 0.005 from symbol 26 differential for each \$10,000 above \$80,000

METHOD OF CALCULATION (1990 & Later):

Symbols 1 - 26

- (1) Multiply the appropriate deductible base rate by the symbol differential and round to the nearest cent.
- (2) Multiply the result in (1) by the class differential and round to the nearest cent.

EXAMPLE: \$500 deductible collision, class 1B, territory 02, symbol 8.

- (1) $\$1.28 \times 0.473 = \0.61
- (2) $\$0.61 \times 1.12 = \0.68

Symbol 27

- (1) Determine the appropriate deductible base rate for the desired territory.
- (2) Calculate the appropriate symbol differential. Subtract \$80,000 from the F.O.B. price. Divide the result by \$10,000 and round down to the nearest whole number. Multiply the result by 0.005. Subtract the result from the symbol 26 differential. Multiply the result in (1) by the symbol differential and round to the nearest cent.
- (3) Multiply the result in (2) by the class differential and round to the nearest cent.

EXAMPLE

- \$500 deductible collision, 1991 model year, \$119,000 F.O.B. list price, class 1B, territory 01
- (1) \$1.12
 - (2) $\$119,000 - \$80,000 = \$39,000$
 - (2) $\$39,000 / \$10,000 = 3$
 - (2) $3 \times 0.005 = 0.015$
 - (2) $0.166 - 0.015 = 0.151$
 - (2) $\$1.12 \times 0.151 = \0.17
 - (3) $\$0.17 \times 1.12 = \0.19

LIABILITY
COMMERCIAL ZONE RATING TABLE
\$20,000/40,000/15,000 -- \$55,000 Limits

Zone 9 (Dallas-Ft. Worth) Zone of Principal Garaging

Zone No. Zone Comb. Code	Liab.	Zone No. Zone Comb. Code	Liab.	Zone No. Zone Comb. Code	Liab.	Zone No. Zone Comb. Code	Liab.
	B.I. P.D. Comb.		B.I. P.D. Comb.		B.I. P.D. Comb.		B.I. P.D. Comb.
01 Atlanta 101	\$1,287 421 2,026	13 Houston 113	\$1,035 356 1,646	25 New Orleans 125	\$1,095 356 1,721	37 Tulsa 137	\$996 327 1,569
02 Balt.-Wash. 102	1,528 504 2,409	14 Indianapolis 114	1,287 421 2,026	26 N. Y. City 126	1,631 553 2,586	40 Pacific 140	1,178 382 1,851
03 Boston 103	1,631 553 2,586	15 Jacksonville 115	1,287 421 2,026	27 Okla. City 127	996 327 1,569	41 Mountain 141	1,095 356 1,721
04 Buffalo 104	1,178 382 1,851	16 Kansas City 116	1,349 434 2,116	28 Omaha 128	1,152 376 1,812	42 Midwest 142	1,095 356 1,721
05 Charlotte 105	1,287 421 2,026	17 Little Rock 117	996 327 1,569	29 Phoenix 129	1,095 356 1,721	43 Southwest 143	996 327 1,569
06 Chicago 106	1,437 465 2,257	18 Los Angeles 118	1,437 480 2,271	30 Philadelphia 130	1,631 553 2,586	44 N. Central 144	1,120 366 1,762
07 Cincinnati 107	1,287 421 2,026	19 Louisville 119	1,246 405 1,958	31 Pittsburgh 131	1,482 499 2,347	45 Mideast 145	1,120 366 1,762
08 Cleveland 108	1,397 454 2,196	20 Memphis 120	1,287 421 2,026	32 Portland 132	1,181 382 1,854	46 Gulf 146	1,095 356 1,721
09 Dal.-Ft. W. 109	996 336 1,578	21 Miami 121	1,421 478 2,249	33 Richmond 133	1,287 421 2,026	47 Southeast 147	1,120 366 1,762
10 Denver 110	1,178 382 1,851	22 Milwaukee 122	1,242 405 1,953	34 St. Louis 134	1,178 382 1,851	48 Eastern 148	1,120 366 1,762
11 Detroit 111	1,437 465 2,257	23 Min.-St. Paul 123	1,242 405 1,953	35 Salt Lake C. 135	1,095 356 1,721	49 New England 149	1,120 366 1,762
12 Hartford 112	1,631 553 2,586	24 Nashville 124	1,287 421 2,026	36 San Francisco 136	1,631 553 2,586	50 Alaska 150	1,178 382 1,851

LIABILITY
COMMERCIAL ZONE RATING TABLE
\$20,000/40,000/15,000 -- \$55,000 Limits

Zone 13 (Houston) Zone of Principal Garaging

Zone No. Zone Comb. Code	Liab.		Zone No. Zone Comb. Code	Liab.		Zone No. Zone Comb. Code	Liab.		
	B.I. P.D. Comb.			B.I. P.D. Comb.			B.I. P.D. Comb.		
01 Atlanta 201	\$1,380 500 2,220		13 Houston 213	\$1,101 383 1,755		25 New Orleans 225	\$1,294 472 2,085	37 Tulsa 237	\$1,059 383 1,703
02 Balt.-Wash. 202	1,625 583 2,608		14 Indianapolis 214	1,380 500 2,220		26 N. Y. City 226	1,735 609 2,772	40 Pacific 240	1,549 563 2,494
03 Boston 203	1,735 609 2,772		15 Jacksonville 215	1,380 500 2,220		27 Okla. City 227	1,059 383 1,703	41 Mountain 241	1,294 472 2,085
04 Buffalo 204	1,545 559 2,485		16 Kansas City 216	1,480 536 2,381		28 Omaha 228	1,294 472 2,085	42 Midwest 242	1,294 472 2,085
05 Charlotte 205	1,380 500 2,220		17 Little Rock 217	1,059 383 1,703		29 Phoenix 229	1,294 472 2,085	43 Southwest 243	1,059 383 1,703
06 Chicago 206	1,545 559 2,485		18 Los Angeles 218	1,545 559 2,485		30 Philadelphia 230	1,735 609 2,772	44 N. Central 244	1,380 500 2,220
07 Cincinnati 207	1,380 500 2,220		19 Louisville 219	1,380 500 2,220		31 Pittsburgh 231	1,577 559 2,525	45 Mideast 245	1,380 500 2,220
08 Cleveland 208	1,486 536 2,388		20 Memphis 220	1,380 500 2,220		32 Portland 232	1,380 500 2,220	46 Gulf 246	1,294 472 2,085
09 Dal.-Ft. W. 209	1,059 383 1,703		21 Miami 221	1,511 534 2,417		33 Richmond 233	1,380 500 2,220	47 Southeast 247	1,380 500 2,220
10 Denver 210	1,294 472 2,085		22 Milwaukee 222	1,322 477 2,125		34 St. Louis 234	1,533 559 2,470	48 Eastern 248	1,469 534 2,365
11 Detroit 211	1,533 559 2,470		23 Min.-St. Paul 223	1,322 477 2,125		35 Salt Lake C. 235	1,294 472 2,085	49 New England 249	1,469 534 2,365
12 Hartford 212	1,735 609 2,772		24 Nashville 224	1,380 500 2,220		36 San Francisco 236	1,735 609 2,772	50 Alaska 250	1,549 563 2,494

TEXAS COMMERCIAL AUTOMOBILE INSURANCE

**TRUCKS, TRACTORS AND TRAILERS
NON-FLEET PRIMARY CLASSIFICATIONS - RATING FACTORS AND STATISTICAL CODES
(TEXAS AUTOMOBILE RULES AND RATING MANUAL PAGE 127)**

Size Class	Business Use Class	Factor Code	Radius Class								
			Local Up to 50 Miles		Intermediate 51 to 200 Miles			Long Distance Over 200 Miles			
			Liability	Coll. & OTC	Liability	Coll.	OTC	Liability	Coll.	OTC	
Light Trucks (0 - 10,000 lbs. G.V.W)	Service	Factor Code	1.00 011...	1.00 011...	1.10 012...	1.90 012...	1.35	1.47 013...	3.00 013...	1.85	
	Retail	Factor Code	1.43 021...	1.20 021...	2.08 022...	2.10 022...	1.55	1.89 023...	3.20 023...	2.05	
	Commercial	Factor Code	1.31 031...	1.15 031...	1.35 032...	2.05 032...	1.50	2.07 033...	3.15 033...	2.05	
ZONE RATED											
Medium Trucks (10,001 - 20,000 lbs. G.V.W)	Service	Factor Code	0.93 211...	0.90 211...	1.23 212...	1.69 212...	1.21	0.95 213...	0.95 213...		
	Retail	Factor Code	1.19 221...	1.07 221...	1.58 222...	1.87 222...	1.38	0.95 223...	0.95 223...		
	Commercial	Factor Code	1.10 231...	1.16 231...	1.67 232...	1.96 232...	1.47	0.95 233...	0.95 233...		
Heavy Trucks (20,001 - 45,000 lbs. G.V.W)	Service	Factor Code	0.83 311...	0.82 311...	1.40 312...	1.47 312...	1.07	1.00 313...	1.00 313...		
	Retail	Factor Code	1.59 321...	1.04 321...	2.69 322...	1.69 322...	1.29	1.00 323...	1.00 323...		
	Commercial	Factor Code	1.34 331...	1.08 331...	3.24 332...	1.73 332...	1.33	1.00 333...	1.00 333...		
Extra-Heavy Trucks (Over 45,000 lbs. G.V.W.)	Factor Code	1.72 401...	1.03 401...	2.50 402...	1.63 402...	1.26	1.10 403...	1.10 403...			
Heavy Truck- Tractors (0 - 45,000 lbs. G.C.W)	Service	Factor Code	1.45 341...	0.82 341...	1.87 342...	1.47 342...	1.07	1.00 343...	1.00 343...		
	Retail	Factor Code	2.01 351...	1.04 351...	2.83 352...	1.69 352...	1.29	1.00 353...	1.00 353...		
	Commercial	Factor Code	1.43 361...	1.08 361...	2.12 362...	1.73 362...	1.33	1.00 363...	1.00 363...		
Extra-Heavy Truck Tractors (Over 45,000 lbs. G.C.W.)	Factor Code	2.00 501...	1.03 501...	2.76 502...	1.63 502...	1.26	1.10 503...	1.10 503...			
TRAILER TYPES											
Semi-trailers	Factor Code	0.14 671...	1.03 671...	0.25 672...	1.44 672...		0.15 673...	1.00 673...			
Trailers	Factor Code	0.14 681...	1.03 681...	0.22 682...	1.44 682...		0.15 683...	1.00 683...			
Service or Utility Trailer (0 - 2,000 lbs. load capacity)	Factor Code	0.00 691...	1.03 691...	0.00 692...	1.44 692...		0.00 693...	1.00 693...			

METHOD OF CALCULATION

Multiply the base rate for the desired coverage and territory by the desired class rating factor, and round to the nearest dollar.

EXAMPLE:

Bodily injury liability, territory 23, 15,000 lb. truck used for local retail purposes (with no secondary rating factors)

$\$380 \times 1.19 = \452

TEXAS COMMERCIAL AUTOMOBILE INSURANCE

**TRUCKS, TRACTORS AND TRAILERS
FLEET PRIMARY CLASSIFICATIONS - RATING FACTORS AND STATISTICAL CODES
(TEXAS AUTOMOBILE RULES AND RATING MANUAL PAGE 128)**

Size Class	Business Use Class	Factor Code	Radius Class								
			Local Up to 50 Miles		Intermediate 51 to 200 Miles			Long Distance Over 200 Miles			
			Liability	Coll. & OTC	Liability	Coll.	OTC	Liability	Coll.	OTC	
Light Trucks (0 - 10,000 lbs. G.V.W)	Service	Factor Code	1.00 014...	1.00 014...	1.10 015...	1.90 015...	1.35	1.47 016...	3.00 016...	1.85	
	Retail	Factor Code	1.43 024...	1.20 024...	2.08 025...	2.10 025...	1.55	1.89 026...	3.20 026...	2.05	
	Commercial	Factor Code	1.31 034...	1.15 034...	1.35 035...	2.05 035...	1.50	2.07 036...	3.15 036...	2.05	
ZONE RATED											
Medium Trucks (10,001 - 20,000 lbs. G.V.W)	Service	Factor Code	0.93 214...	0.90 214...	1.23 215...	1.69 215...	1.21	0.95 216...	0.95 216...		
	Retail	Factor Code	1.19 224...	1.07 224...	1.58 225...	1.87 225...	1.38	0.95 226...	0.95 226...		
	Commercial	Factor Code	1.10 234...	1.16 234...	1.67 235...	1.96 235...	1.47	0.95 236...	0.95 236...		
Heavy Trucks (20,001 - 45,000 lbs. G.V.W)	Service	Factor Code	0.83 314...	0.82 314...	1.40 315...	1.47 315...	1.07	1.00 316...	1.00 316...		
	Retail	Factor Code	1.59 324...	1.04 324...	2.69 325...	1.69 325...	1.29	1.00 326...	1.00 326...		
	Commercial	Factor Code	1.34 334...	1.08 334...	3.24 335...	1.73 335...	1.33	1.00 336...	1.00 336...		
Extra-Heavy Trucks (Over 45,000 lbs. G.V.W.)	Factor Code	1.72 404...	1.03 404...	2.50 405...	1.63 405	1.26	1.10 406...	1.10 406..			
Heavy Truck- Tractors (0 - 45,000 lbs. G.C.W)	Service	Factor Code	1.45 344...	0.82 344...	1.87 345...	1.47 345...	1.07	1.00 346...	1.00 346...		
	Retail	Factor Code	2.01 354...	1.04 354...	2.83 355...	1.69 355...	1.29	1.00 356...	1.00 356...		
	Commercial	Factor Code	1.43 364...	1.08 364...	2.12 365...	1.73 365...	1.33	1.00 366...	1.00 366...		
Extra-Heavy Truck Tractors (Over 45,000 lbs. G.C.W.)	Factor Code	2.00 504...	1.03 504...	2.76 505...	1.63 505	1.26	1.10 506...	1.10 506.			
TRAILER TYPES											
Semi-trailers	Factor Code	0.14 674...	1.03 674...	0.25 675...	1.44 675...		0.15 676...	1.00 676...			
Trailers	Factor Code	0.14 684...	1.03 684...	0.22 685...	1.44 685...		0.15 686...	1.00 686...			
Service or Utility Trailer (0 - 2,000 lbs. load capacity)	Factor Code	0.00 694...	1.03 694...	0.00 695...	1.44 695...		0.00 696...	1.00 696...			