

MARGARET ALSOBROOK
OPERATIONS MANAGER

2028 E. BEN WHITE BLVD. • SUITE 400 • AUSTIN, TX 78741-7197
P.O. BOX 149144 • AUSTIN, TX 78714-9144
TEL. 512/444-5999 • FAX 512/444-4562

TAIPA Bulletin No. 75 dataanda@taipa.org

To: Member Companies

From: Margaret Alsobrook, Operations Manager

Date: October 26, 1998

Re: Commissioner's Bulletin B-0075-98
Regarding Tort Reform Rate Reduction Factors

All companies should have received Commissioner's Bulletin No. B-0075-98. It is available on the Internet at www.tdi.state.tx.us.

The TDI bulletin advises of the implementation of new tort reform rate reduction factors adopted under Art. 5.131, Texas Insurance Code and 28 TAC §5.14000 – 5.14011.

The changes ordered by the Commissioner apply to voluntary commercial coverages only. The tort reform rate reduction factors for private passenger did not change, therefore the private passenger rates as published remain in effect.

The new tort reform rate reduction factors do not apply to risks written through TAIPA. **It will therefore be necessary for member companies to establish new commercial rates for voluntary business, but retain the current commercial rates for business written through TAIPA.**

Commercial benchmark rates are not expected to be adjusted this year so the program changes directed by the Commissioner's Bulletin will remain in effect until at least January 1, 2000. However, the rates for commercial risks written through TAIPA may or may not change depending on the Commissioner's decision in the pending TAIPA rate case.