

Texas Automobile Insurance Plan Association (TAIPA)

Thirty-First Annual Report

For the Period January 1st, 2024 through December 31st, 2024

Minutes of the Annual Meeting

Austin, TX

Friday, April 11th, 2025

Chair Matthew Snyder called the meeting to order at 8:34am. Chair Snyder asked Stacy Dutton to call roll.

Chair Snyder asked Stacy Dutton to read the Anti-trust statement. Ms. Dutton read the Anti-Trust Statement:

TAIPA Anti-Trust Statement

The creation and operation of the Texas Automobile Insurance Plan Association is set forth in Chapter 2151 of the Texas Insurance Code. The Association is a non-profit corporate body composed of all authorized insurers.

The organization was created to provide a means by which insurance may be assigned to an authorized insurer for a person required by the Texas Motor Vehicle Safety-Responsibility Act to show proof of financial responsibility for the future.

Members of the Association and of its Governing Committee, when involved in meetings or other activities of the Association, are bound to limit their discussions and actions to matters relating to the business of the Association and shall not discuss or pursue the business interest of individual insurers or others.

Chair Snyder asked Stacy Dutton if there was a quorum present. Ms. Dutton stated that there was a quorum present.

Chair Snyder asked Stacy Dutton to report on the Trade Association Representatives. Ms. Dutton stated that the 2025 Trade Association Representatives selected are:

- National Association of Mutual Insurance Companies (NAMIC) -Appointed Hochheim Prairie Insurance as their representative
- American Property Casualty Insurance Association (APCIA) -Appointed Travelers Insurance Company as their representative
- Association of Fire & Casualty Companies in Texas (AFACT) -Appointed Texas Farm Bureau as their representative

Chair Snyder then reported the nominees for At-Large representatives of insurers were:

- Farmers Insurance
- Safeco/Liberty Mutual
- State Farm Mutual Automobile
- United Services Automobile Association (USAA)
- Allstate Insurance

Chair Snyder asked Stacy Dutton if all the voting insurer members sent their votes in. Ms. Dutton confirmed the members had sent their votes in.

Chair Snyder stated since there were only five candidates for five open positions, he requested a call for their election by acclamation. Chair Snyder then asked for a motion to accept the slate of candidates presented.

David Weber made a motion to accept the slate of candidates presented. Ramon Montalvo seconded this motion. The motion passed unanimously with no abstentions.

Chair Snyder announced the five insurers elected for a term of one year commencing upon adjournment.

Chair Snyder indicated that the Chair's Report and Manager's Report were sent out with the agenda.

Chair Snyder requested a motion to adjourn. David Weber made a motion to adjourn. Ramon Montalvo seconded the motion. The motion to adjourn passed unanimously with no abstentions.

Chair Snyder announced the meeting adjourned at 8:44am.

Annual Meeting Attendees:

Company Members:

Keith Wechsler, USAA
Matt Snyder, Farmers
Brian Ferguson, State Farm
Doug Queenin, Liberty Mutual
David Weber, Hochheim Prairie

Public Members:

Becky Jackson
Laura Hausman
David Nardecchia
Betsy Blair

Producer Member:

Ramon Montalvo

OPIC:

Kim Donovan, OPIC

TDI:

Melissa Herman
Dan Paschal
Jessica Barta

Counsel:

Mike Jones, Thompson, Coe, Cousins & Irons

TAIPA Staff:

Stacy Dutton, Association Manager
Mimi Leece, Manager Operations/Finance
Ruth Wise, Customer Service
Amanda Reynolds, Customer Service

The following member companies were represented either in person or by proxy:

Allstate County Mutual Insurance Company
Allstate Fire and Casual Insurance Company
Allstate Indemnity Insurance Company
Allstate Insurance Company
Allstate North American Insurance Company
Allstate Northbrook Indemnity Company
Allstate Property and Casualty Insurance Company
Allstate Texas Lloyd's
Allstate Vehicle and Property Insurance Company
Century-National Insurance Company
Direct General Insurance Company
Direct National Insurance Company
Encompass Home and Auto Insurance Company
Encompass Indemnity Company
Encompass Independent Insurance Company
Encompass Insurance Company of America
Encompass Property and Casualty Company
Esurance Insurance Company
Esurance Insurance Company of New Jersey
Esurance Property and Casualty Insurance Company
Imperial Fire and Casualty Insurance Company
Integon Indemnity Corporation
Integon National Insurance Company
MIC General Insurance Corporation
Mountain Valley Indemnity Company
National Farmers Union Property and Casualty Company
National General Assurance Company
National General Insurance Company
National General Insurance Online, Inc.
New South Insurance Company
Safe Auto Insurance Company
21st Century Casualty Company
21st Century Centennial Insurance Company
21st Century Insurance Company
21st Century North America Insurance Company
21st Century Premier Insurance Company
American Federation Insurance Company
Bristol West Specialty Insurance Company
Economy Fire & Casualty Company
Economy Preferred Insurance Company
Economy Premier Assurance Company
Farmers Casualty Insurance Company
Farmers Direct Property and Casualty Insurance Company
Farmers Group Property and Casualty Insurance Company

Farmers Insurance Exchange
Farmers Lloyds Insurance Company of Texas
Farmers Property and Casualty Insurance Company
Farmers Texas County Mutual Insurance Company
Fire Insurance Exchange
Foremost County Mutual Insurance Company
Foremost Insurance Company Grand Rapids, Michigan
Foremost Lloyds of Texas
Foremost Property and Casualty Insurance Company
Foremost Signature Insurance Company
Mid-Century Insurance Company
Mid-Century Insurance Company of Texas
Texas Farmers Insurance Company
Toggle Insurance Company
Truck Insurance Exchange
America First Insurance Company
America First Lloyd's Insurance Company
American Economy Insurance Company
American Fire and Casualty Company
American States Insurance Company
American States Insurance Company of Texas
American States Lloyds Insurance Company
American States Preferred Insurance Company
Colorado Casualty Insurance Company
Employers Insurance Company of Wausau
First Liberty Insurance Corporation, The
First National Insurance Company of America
General Insurance Company of America
Ironshore Indemnity Inc.
Liberty County Mutual Insurance Company
Liberty Insurance Corporation
Liberty Insurance Underwriters Inc.
Liberty Lloyds of Texas Insurance Company
Liberty Mutual Fire Insurance Company
Liberty Mutual Insurance Company
LM General Insurance Company
LM Insurance Corporation
LM Property and Casualty Insurance Company
Meridian Security Insurance Company
National Insurance Association
Netherlands Insurance Company, The
Ohio Casualty Insurance Company, The
Ohio Security Insurance Company
Peerless Indemnity Insurance Company
Peerless Insurance Company
Plaza Insurance Company
Safeco Insurance Company of America
Safeco Insurance Company of Illinois

Safeco Insurance Company of Indiana
Safeco Lloyds Insurance Company
State Auto Property & Casualty Insurance Company
State Automobile Mutual Insurance Company
Wausau Business Insurance Company
Wausau Underwriters Insurance Company
West American Insurance Company
Hochheim Prairie Casualty Insurance Company
HiRoad Assurance Company
MGA Insurance Company, Inc.
State Farm Classic Insurance Company
State Farm County Mutual Insurance Company of Texas
State Farm Fire and Casualty Company
State Farm General Insurance Company
State Farm Lloyds
State Farm Mutual Automobile Insurance Company
Westport Insurance Corporation
Catastrophe Reinsurance Company
Garrison Property and Casualty Insurance Company
Noblr Reciprocal Exchange
United Services Automobile Association
USAA Casualty Insurance Company
USAA County Mutual Insurance Company
USAA Falcon Property & Casualty Insurance Company
USAA General Indemnity Company
Farm Bureau County Mutual Insurance Company of Texas
Texas Farm Bureau Casualty Insurance Company
Texas Farm Bureau Mutual Insurance Company
Texas Farm Bureau Underwriters
AGCS Marine Insurance Company
Allianz Global Risks US Insurance Company
Allianz Reinsurance America, Inc.
Chicago Insurance Company
Fireman's Fund Insurance Company
Jefferson Insurance Company
National Surety Corporation
American Equity Specialty Insurance Company
Automobile Insurance Company of Hartford, Connecticut, The
Charter Oak Fire Insurance Company, The
Farmington Casualty Company
Fidelity and Guaranty Insurance Company
Fidelity and Guaranty Insurance Underwriters, Inc.
Northland Casualty Company
Northland Insurance Company
Phoenix Insurance Company, The
Select Insurance Company
St. Paul Fire and Marine Insurance Company
St. Paul Guardian Insurance Company

St. Paul Mercury Insurance Company
St. Paul Protective Insurance Company
Standard Fire Insurance Company, The
TravCo Insurance Company
TravCo Personal Insurance Company
Travelers Casualty and Surety Company
Travelers Casualty and Surety Company of America
Travelers Casualty Company of Connecticut
Travelers Casualty Company, The
Travelers Casualty Insurance Company of America
Travelers Commercial Casualty Company
Travelers Commercial Insurance Company
Travelers Constitution State Insurance Company
Travelers Home and Marine Insurance Company, The
Travelers Indemnity Company of America, The
Travelers Indemnity Company of Connecticut, The
Travelers Indemnity Company, The
Travelers Lloyds Insurance Company, The
Travelers Lloyds of Texas Insurance Company
Travelers Personal Insurance Company
Travelers Personal Security Insurance Company
Travelers Property Casualty Company of America
Travelers Property Casualty Insurance Company
United States Fidelity and Guaranty Company
Selective Insurance Company of America
Selective Insurance Company of the Southeast
American Guarantee and Liability Insurance Company
American Zurich Insurance Company
Centre Insurance Company
Colonial American Casualty and Surety Company
Empire Fire and Marine Insurance Company
Fidelity and Deposit Company of Maryland
Home Insurance Company, The
Universal Underwriters Insurance Company
Universal Underwriters of Texas Insurance Company
Zurich American Insurance Company
Zurich American Insurance Company of Illinois
Cincinnati Casualty Company, The
Cincinnati Indemnity Company, The
Cincinnati Insurance Company, The

ASSOCIATION MANAGER'S REPORT

Texas Automobile Insurance Plan Association (TAIPA) Annual Meeting – April 11, 2025

The following are the number of applications TAIPA assigned in 2024, 2023, 2022, 2021, and 2020:

2024	1,960 (1702 private passenger apps and 258 commercial)
2023	1,758
2022	1,352
2021	1,381
2020	1,629

The number of applications assigned in 2024 was 202 more than assigned in 2023, which is a 11.5% increase. It should be noted that the applications decreased 20% since TAIPA's 15% rate increase of 2024.

The TAIPA budget for 2025 is \$ 1,170,000 which is \$32,740 more than the 2024 budget of \$1,137,260. This is a 2.88% increase.

The TAIPA assessment to the insurance companies for 2025 is \$957,000 which is \$37,360 less than our 2024 assessment of \$ 994,360. This is 3.76% decrease.

In 2024 TAIPA staff worked with:

- Strategic Planning Subcommittee to updating TAIPA's Enterprise Risk Management Plan
- Audit and Finance Subcommittee and TAIPA's auditors to complete a successful audit of our 2023 financials.
- Nominating Committee to provide a slate of officers for 2025.
- Operation Sub Committee to educate the subcommittee and staff on current rate practices for TAIPA versus the Open Market, moving forward on electronic applications and payments for TAIPA producers, and reviewing TAIPA's ability to make changes to our statute regarding TAIPA's rate setting practice and public and producers alternate members.

TAIPA staff

- Continued to operate with 4 full time employees in 2024 and had no turnover
- Recertified TAIPA's LAD/CLAD providers
- Continued to provide training to the producers and their staff to avoid future errors in the applications they submit and thus avoiding the need for the Producer Review Subcommittee to meet.
- The Manager of Operations/Financial Management worked with our Sage Consultant to streamline the penalty process as well as utilize Sage's capabilities to manage TAIPA's financials.
- Ruth Wise and Amanda Reynolds took on multiple tasks that Mimi and I used to perform and found ways to improve many of the processes.

I would like to thank TAIPA staff for all that they did in 2024 to make TAIPA a success.

I would again like to thank the Governing Committee, the TAIPA officers, and the TAIPA subcommittees as well as TAIPA counsel this year for all the support and encouragement that I received over the year. I especially want to thank Matthew Snyder for his guidance, as well as his concern for the TAIPA employees.

Through the combined efforts of all of the TAIPA staff, TAIPA continued to provide excellent service to TAIPA applicants, producers, vendors, regulators and members of the TAIPA Governing Committee in 2024.

TEXAS AUTOMOBILE INSURANCE PLAN ASSOCIATION (TAIPA) CHAIR'S REPORT APRIL 11, 2025, TAIPA ANNUAL MEETING

I'm Matthew Snyder, and I am an At Large Company Member. I had the privilege to serve as the Chair of the TAIPA Governing Committee in 2024.

In 2024, the TAIPA Governing Committee started the process to change its insurer membership structure. We understand that AFACT will be dissolved in the near future. The TAIPA Governing Committee has approved having Insurance Council of Texas (ICT) become an insurance association that places a member on TAIPA's Governing Committee. We are working with TDI to get this change approved in TAIPA's Plan of Operation.

TAIPA has continued to hold its meetings both in person and by zoom and although the Governing Committee will continue to do so, it did elect to hold one meeting per year as an in-person meeting starting with the April 11, 2025, meeting.

The Governing Committee and its subcommittees continued to work on and study various projects.

The Strategic Planning Committee continued to review and make recommendations on TAIPA's:

- Enterprise Risk Management Plan
- Current staffing level
- Long Term Contracts and Third-Party Relationships
- Significant Changes

The Operation Sub Committee met several times this year. Initially they met to look at possible new rate making procedures. As part of this process, the Operation Subcommittee asked TDI and OPIC to participate in a learning session with the subcommittee and anyone else who wanted to participate. During this process, we learned a better way to collect TAIPA data. Because TAIPA's volume continues to be low it is still statistically insignificant, but the new process allows better collection of TAIPA specific data.

The subcommittee also reviewed a request from producers to have electronic TAIPA applications and payments. The Governing Committee has asked AIPSO to make electronic applications and payments available for TAIPA producers in the future.

The subcommittee studied what TAIPA's possibility of success was if we pursued having our statute changed to include our public and producer

alternate members. Unfortunately, the committee could not see a path forward for us during the 2025 legislative session.

The Governing Committee

1. Approved our first-rate hearing under the new rate hearing process. A 15% increase for TAIPA rates across the board for both Private Passenger and Commercial rates took effect on October 1, 2024.
2. We continued to work with TDI toward some Plan of Operation changes for TAIPA including eliminating the alternate public and producer members because they are not specifically listed in the statute. The Governing Committee reviewed what it would take to change the statute and after discussions with lobbyists as well as TDI, it was determined that we could not be successful in the 2025 legislative session. Therefore, TAIPA lost our alternate public member, Janet Dewey in November of 2024 and lost Kit Morris, our alternate producer member in March of 2025.

I'd like to offer thanks to all the members of the Governing Committee. Thank you to David Weber, John Lusardi, Betsy Blair, and Becky Jackson for serving in officer roles over the past year.

I'd also like to thank company members Keith Wechsler, Brian Ferguson, Mike Burke, Adam Hall, and Doug Queenin, public members Carmelita Hogan, Mary Carol Awalt, Laura Hausman, Janet Dewey, and Betsy Blair, and producer members Adam Payton, Ramon Montalvo, and Kit Morris for their service on the TAIPA Governing Committee in 2024.

I want to recognize and thank the TAIPA staff, Stacy Dutton, Mimi Leece, Ruth Wise and Amanda Reynolds for their work on the TAIPA team in 2024 and continued to meet the needs of the insureds, producers, and insurance companies that rely on TAIPA services.

I would like to thank you all for your support and direction. And, thanks to TAIPA's legal counsel, Mike Jones for his contributions.

It has been a pleasure serving as chair this past year.

X *Matthew Snyder*

Matthew Snyder

Chair