



CONSUMERS WIN WITH INSURANCE COMPETITION

Since the Texas Legislature passed landmark insurance reforms in 2003, the Texas homeowners insurance market has stabilized. According to a 2008 TDI report:

- ▶ **29 more insurance companies are competing for business in our state;**
- ▶ **Homeowners insurance rates have decreased an average of 13.5%; and**
- ▶ **Insurers are offering many new choices of coverage rather than the old one-size-fits-all State-promulgated forms.**

MORE COVERAGE Home values 	Year	Average Written Amount of Insurance Per Policy*	Average Premium Cost Per Policy	Average Written Premium Per \$1,000 Amount of Insurance	LESS COST Premium Rates 
	2002	\$142,400.00	\$1,231.00	\$8.64	
	2003	\$151,400.00	\$1,267.00	\$8.37	
	2004	\$161,100.00	\$1,254.00	\$7.78	
	2005	\$169,000.00	\$1,227.00	\$7.26	
	2006	\$181,000.00	\$1,229.00	\$6.79	
	2007	\$195,300.00	\$1,239.00	\$6.34	

**Information from TDI. Rise in amount of insurance coverage provided per policy reflects the increase in property values in Texas.*

Texas consumers today benefit from a more competitive insurance market, increased availability of insurance and lower rates, thanks to the reforms enacted by the Legislature, as the chart above illustrates. However, while the recent reforms have helped improve our competitive market, it is important for state policymakers to continue the movement towards a more predictable regulatory environment for rates to ensure Texans reap the benefits of a truly competitive marketplace.

Texas is on the threshold of a truly healthy homeowners insurance market for the first time in decades, even as insurance companies doing business in Texas continue to absorb some of the most severe weather losses in the country (including more than \$10 billion in catastrophic losses in 2008, five times more losses than any other state.) A competitive market serves the interests of consumers, insurers and the overall Texas economy that relies on available, affordable insurance for a healthy business climate.



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