Overview

- Introduction to TWIA
- TWIA Eligibility & Coverage Requirements
- Windstorm Certification Requirements
- TDI Certification of Ongoing Improvements (WPI-8)
- TWIA Certification of Completed Improvements (WPI-8-C)
- Building Products
History of the Association

• Established in 1971 as Insurer of Last Resort
  – Created by Texas Legislature after Hurricane Celia
  – Not a competitor in the private market
  – Windstorm and hail insurance for Texas Coast

• TWIA Board of Directors
  – Nine appointed members
  – 3 Coastal, 3 Inland, 3 Industry
### TWIA Fast Facts

<table>
<thead>
<tr>
<th>Category</th>
<th>Details</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016 TWIA Premiums</td>
<td>$487 Million</td>
</tr>
<tr>
<td>TWIA Policies In-Force</td>
<td>254,346</td>
</tr>
<tr>
<td>TWIA Total Insured Value</td>
<td>$73.4 Billion</td>
</tr>
<tr>
<td>2016 TFPA Premiums</td>
<td>$122 Million</td>
</tr>
<tr>
<td>TFPA Policies In-Force</td>
<td>121,413</td>
</tr>
<tr>
<td>TFPA Total Insured Value</td>
<td>$19.9 Billion</td>
</tr>
<tr>
<td>TWIA and TFPA Registered Agents</td>
<td>6,774 + 11,097*</td>
</tr>
<tr>
<td>Employees + Contractors Headcount</td>
<td>217 + 26</td>
</tr>
<tr>
<td>Operating Cost as a % of Premium</td>
<td>6% TWIA          12% Texas  30% Plans</td>
</tr>
<tr>
<td>7th Largest Allied Lines Writer in the US</td>
<td></td>
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<tr>
<td>3rd Lowest Operating Cost as a % of Premium</td>
<td></td>
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<tr>
<td>2nd Largest Property Insurance Plan in the US</td>
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Data as of 12/31/2016  
Among 36 US Property Insurance Plans  
*Some agents may be eligible for and registered for both TWIA and TFPA*
TWIA Coverage & Eligibility

- Properties must be located in the area designated by the Commissioner of Insurance.
- Applicants must have received a declination from at least one other carrier.
- Properties located in a V flood zone must have flood insurance.
- Structures built, altered and/or repaired on or after January 1, 1988, with some exceptions, must obtain a Certificate of Compliance.
- Properties must be in an insurable condition as specified by TWIA’s Plan of Operations.

See: www.twia.org/coverage-eligibility
What is a Certificate of Compliance?

• In order to be eligible for TWIA coverage, Texas Insurance Code Chapter 2210 states:

Any building constructed, altered, remodeled, enlarged, repaired, or added to on or after January 1, 1988 must have a **Certificate of Compliance** to certify that the structure meets the windstorm building code requirements.
Legislation passed in 2015 created a two-path system to certify a structure complies with the applicable windstorm building code; started **January 1, 2017**.

**TDI**
- Applies to **ongoing** improvements
- Appointed qualified inspectors (may be, but need not be Texas-licensed engineers) inspect and submit findings
- TDI issues certificate of compliance (WPI-8)

**TWIA**
- Applies to **completed** improvements
- Texas-licensed engineers provide certain information to TWIA certifying the improvement meets the windstorm building code requirements
- TWIA issues the certificate of compliance (WPI-8-C)
HB 2439 and the TDI Windstorm Program

House Bill 2439, passed during the 84th Legislative session, brings changes to the regulations of the Texas Department of Insurance (TDI) for the inspection and certification of construction by Texas licensed professional engineers.

As a result of HB 2439, TDI revised existing rules and developed new rules for the inspection and certification of construction by Texas licensed professional engineers. Highlights of the changes include:

- TDI processes on-going improvement certifications
- TWIA processes completed improvement certifications
- AQIs are not required to seal on-going inspection certifications forms to TDI

This program provides an overview of the new TDI rules and regulations for the Windstorm Program.

Appointed Qualified Inspectors (AQIs) can inspect and certify on-going improvements to TDI.

- Current Texas Professional Engineer License
- Attend a TDI Orientation Webinar on the Windstorm Program
- Complete an application and send it to TDI (AQI-1 Form)
Verification of Compliance:

– If the AQI determines that the ongoing improvement meets the applicable windstorm building code standard, then the AQI must complete and submit an Inspection Verification, Form WPI-2, to TDI. TDI will review the application and process the application and issue a Certificate of Compliance, form WPI-8.

– The AQI may inspect an improvement to a design, plans sealed by a Texas Professional Engineer.

– The AQI may inspect an improvement to building product specifications, such as product evaluation reports, test reports, and manufacturers installation instructions. Inspection of building products must be based on testing that conforms to the adopted building code standard.

– AQIs are required to conduct inspections on improvements and provide substantiating information collected during the inspection process if TDI requests the information.

– Substantiating information includes Inspection reports, building product information, photographs, windstorm plans, shop drawings and as built drawings.
Notification of audits:

– In all audits when TDI asks the AQI to provide substantiating information, TDI will expect the audit to take place no less than 15 days after the AQI receives notice of the audit.

– The AQI may request a shorter time frame if a notice period in Section 5.4640 of the Texas Administrative code (relating to Oversights) would cause a delay in the construction schedule.

– TDI may conduct random Oversights of WPI-2 applications sent in by AQIs.

– TDI may conduct Oversights in response to a formal complaint filed to TDI.

– AQIs may be asked to provide substantiating information on a certification that is audited.

– The AQI bears the burden of verification, that the on-going improvement complies with the wind load requirements of the applicable building code.

– Failure to comply with the request for information may result in TDI initiating a legal proceeding against the AQI.
Texas Department of Insurance (TDI):

- adopts building specifications;
- develops rules and regulations for AQIs;
- maintains a list of AQIs;
- provides windstorm inspection services using TDI employed windstorm field inspectors;
- processes windstorm forms for ongoing improvements;
- certifies to TWIA that on going improvements are insurable against windstorm and hail losses (Form WPI-8); and
- evaluates building products for compliance with adopted building specifications.
Adopted Building Specifications

Building codes

- Effective January 1, 2008, TDI adopted the following International Codes:
  - 2006 International Residential Code (IRC); and
Texas Revisions

- TDI amendments to the IRC and the IBC.

- Effective January 1, 2008, TDI adopted the following:
  • Texas Revisions to the 2006 IRC; and
  • Texas Revisions to the 2006 IBC.
Adopted Building Specifications

You can download the Texas Revisions from the Windstorm Inspection Program section of the TDI website at: www.tdi.texas.gov/wind/dwnloads
TDI Windstorm Certification Resources

Call 1 (800) 248-6032, OR

Visit TDI’s Windstorm System:
https://appscenter.tdi.texas.gov/windstorm/p/home
New TWIA Windstorm Certification Process

As of January 1, 2017, TWIA is authorized to issue Certificates of Compliance (WPI-8-C) for completed improvements.

• A **completed improvement** is defined as:
  – An improvement in which the original transfer of title from the builder to the initial owner of the improvement has occurred; or
  – If a transfer under Paragraph (A) is not contemplated, an improvement that is substantially completed.

• **Substantially completed** is defined as:
  – An improvement for which the final framing stage, including attachment of component and cladding items and installation of windborne debris protection, has been completed. If the improvement's windborne debris protection consists of wood structural panels, all the panels must be present at the improvement's location but need not be installed.
How do I get a WPI-8-C?

• A person lacking a WPI-8 for a completed improvement may apply to TWIA for a WPI-8-C.

• A Texas-licensed engineer may certify that the completed improvement complies with the applicable windstorm building code.

• The engineer will need to submit certain information to TWIA about the completed improvement in order for TWIA to issue the certificate of compliance (WPI-8-C).

• The required information may be provided using TWIA’s online application form or by submitting a completed paper application form to Certify@TWIA.org.
TWIA Windstorm Certification Resources

www.TWIA.org/windstorm-certification-requirements/

Windstorm Certification Requirements

In order to be eligible for coverage through TWIA, Texas Insurance Code Chapter 2210 states that any building constructed, altered, remodeled, enlarged, repaired, or added to on or after January 1, 1988 must have a Certificate of Compliance (WPI-8 or WPI-8-C) to certify that the structure meets the windstorm building code requirements. Without a Certificate of Compliance, TWIA lacks evidence that the structure conforms to the applicable building code, and the structure may be considered uninsurable and ineligible for coverage with TWIA. Limited exceptions that apply to this requirement are explained in the section on Certifying Ongoing Improvements (WPI-8).

The Texas Department of Insurance (TDI) administers the Windstorm Inspection Program and issues Certificates of Compliance (WPI-8) for ongoing improvements. Legislation passed in 2015 now authorizes TWIA to issue Certificates of Compliance (WPI-8-C) for completed improvements beginning January 1, 2017.

You may learn more about each path for obtaining a Certificate of Compliance (WPI-8 or WPI-8-C) through the below links on this page.

Certify Ongoing Improvements (WPI-8)
Get Started with the TDI Process >

Certify Completed Improvements (WPI-8-C)
Get Started with the TWIA Process >
How do I contact TWIA regarding Windstorm Certification Requirements?

Contact TWIA at 1-800-231-5360 or AgentServices@TWIA.org for questions related to the Windstorm Certification Process.

Who do I contact if I have technical questions about how to fill out the WPI-3 form?

Technical questions about the WPI-3 form should be directed to the Texas Department of Insurance’s (TDI’s) Windstorm Inspections Program at 1-800-248-6032 or Windstorm@TDI.Texas.gov.
Building Products
Evaluation reports, certifications, and approvals

- You can use product evaluation reports, certifications, and approvals to inspect building products. Including, but not limited to, the following sources:
  - ICC Evaluation Service (ES) evaluation reports;
  - Uniform Evaluation Services (Uniform ES) evaluation reports (part of the IAPMO group);
  - Miami-Dade County NOA (Notice of Acceptance) evaluation reports;
  - UL certifications;
  - FM approvals;
  - ATI Code Compliance Research Reports (CCRR); and
  - TDI product evaluation reports.
TDI product evaluation reports

- TDI develops product evaluation reports for building products subject to wind pressure, windborne debris, and lateral loads due to wind that comply with the building specifications adopted by TDI.

- TDI employed windstorm field inspectors must use TDI product evaluation reports.

- AQIs can use TDI product evaluation reports.
Use of TDI product evaluation reports

- It is not a requirement that a building product be listed in an evaluation report with TDI for it to be acceptable.

- The building product must comply with the building specifications adopted by TDI.

- The AQI can use evaluation reports, certifications, and approvals from other organizations.
Listing of SIP systems with the TDI

- SIP system must be tested in accordance with ICC Acceptance Criteria AC04 (Acceptance Criteria for Sandwich Panels).

- SIP system must be tested at an accredited testing lab.
  - Recognized by the ICC-ES, or
  - Recognized by Miami-Dade County, or
  - Accredited by IAS

- Make a submittal package to the TDI requesting to have the SIP system listed.
SIP system submittal package to the TDI

- Cover letter requesting to have the SIP system listed with the TDI
  - Include contact information with email address
  - Summarize material submitted

- Test reports for SIP system performance in accordance with ICC AC04

- Installation details

- Installation instructions
TDI evaluation report for SIP system

• Will stipulate that structure is to be designed by an engineer based on the allowable design values specified in the evaluation report.

• Design plan to be developed based on allowable design values specified in evaluation report and wind load requirements adopted by the TDI.

• Foundation is part of the structure
  – Design plan to include foundation design, or
  – Design plan must indicate how the SIP system is anchored to foundation

• Roof coverings, exterior wall coverings, windows, doors, garage doors, shutters
  – Products must be installed to resist wind pressure and windborne debris (as required)
  – Products installed in accordance with evaluation reports
You may contact the engineering staff at the following address:

Texas Department of Insurance
Engineering Services Program
MC 104-ENG
333 Guadalupe
Austin, TX 78714-9104

Phone: (512) 676-6763
Fax: (512) 490-1043
engineering@tdi.texas.gov
Thank you!