

TEXAS WATCH

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October 18, 2011

The Honorable David Dewhurst
Lieutenant Governor of Texas
Post Office Box 12068
Austin, Texas 78711

Dear Governor Dewhurst:

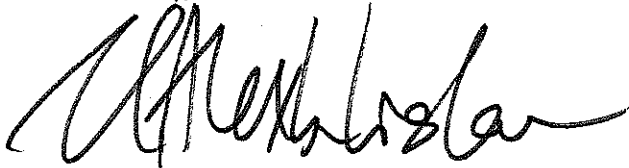
We share your desire for the Senate to thoroughly investigate all aspects of the ongoing drought and threat of wildfires as outlined by your Select Interim Charges. However, we are concerned that you neglected to include any charge exploring how the insurance industry is responding to the claims stemming from this summer's statewide wildfire catastrophe.

As you know, 3.8 million acres have burned in Texas over the last year, destroying more than 7,600 homes and businesses. Additionally, insured losses related to the fires are estimated to reach \$500,000,000.

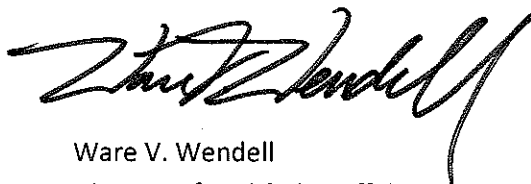
Given the magnitude of the loss and the impact it will have on policyholders across the state, it would be appropriate for the Business & Commerce Committee to conduct oversight hearings to determine whether the insurance industry is responding appropriately by adjusting and paying claims in accordance with the statutory requirements outlined in Chapters 541 and 542 of the Insurance Code.

Please consider remedying this oversight by adding a charge that would ensure that this issue is fully explored by the Senate during the coming months.

Sincerely,



N. Alex Winslow
Executive Director



Ware V. Wendell
Director of Legislative Affairs

cc: The Honorable John Carona
Chair, Senate Business & Commerce Committee