Texas Commercial Auto Insurance Faces New Rate Changes: What Houston Businesses Should Know

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HOUSTON, Texas — September 25, 2026 — Houston companies who depend on company vehicles will find themselves in a new insurance market for commercial vehicles starting on November 1, 2026.

The Texas Department of Insurance (TDI) approved an overall 4.9% increase in TAIPA commercial auto rates for new and renewed businesses. The changes affect several types of commercial auto coverage, such as bodily injury liability, property damage liability, and uninsured/underinsured motorist coverage.

For businesses in Houston who use vehicles to deliver, service customers, construction, transport or other normal business uses, this change means you should think about commercial auto coverage when your policy expires.

What is changing on November 1?

The approved TAIPA commercial auto rate changes are:

Coverage	Approved Change
Bodily Injury Liability	+5.0%
Property Damage Liability	+5.0%
Personal Injury Protection (PIP)	0.0%
Uninsured/Underinsured Motorist Bodily Injury	+2.9%
Uninsured/Underinsured Motorist Property Damage	+2.6%
Overall Commercial Auto	+4.9%

The new rates apply to TAIPA commercial automobile policies with effective dates beginning November 1, 2026, including new and renewal business.

Personal Injury Protection, or PIP, is coverage that can help pay medical expenses and certain other costs, including lost wages, after an auto accident, regardless of who caused the accident. TDI explains that PIP is generally included in Texas auto policies unless the insured rejects it in writing.

The 4.9% increase does not apply to every commercial auto policy

- It is easy to miss one distinction.

The increase of 4.9% announced by TDI is an overall increase in commercial car insurance rates for TAIPA and is not a blanket increase of 4.9% for all commercial vehicle policies in Texas.

TAIPA serves in the assigned risk market, and businesses may also purchase commercial auto coverage through the voluntary insurance market. Individual policy premiums vary based upon the vehicles insured, drivers, coverage, claims history and other rating considerations.

TDI publishes public information on filings of insurance rate, making it available to consumers and businesses to view the rate filings submitted by insurers.

Why Houston businesses should pay attention

Commercial vehicles are tied to how a business operates.

A contractor may depend on trucks to get to a job site. A distributor may have vehicles that make deliveries throughout Houston. A service company may have employees who go to the customer's locations every day.

Even small changes in insurance costs can be considered part of a larger discussion about operating costs.

This TAIPA adjustment comes following several years of changes in the commercial auto insurance market. TAIPA filed a 2026 rate change proposal based on past commercial auto loss rates and claim severity trends. The rate changes indicated were higher for several coverage types, but the proposed changes were less than 5% per coverage.

The final approved rates resulted in the 4.9% increase announced by TDI.

What the underlying filing says

Further context surrounding the approved rates can be found in the TAIPA filing.

TAIPA estimated increases of 15.2% for bodily injury liability and 9.8% for property damage liability on its methodology. It recommended increases of 5.0% for both coverages.

In the case of uninsured motorist bodily injury, the indicated change was 10.0%, compared to a proposed increase of 2.9%. The indicated change in the case of uninsured motorist property damage was 12.3%, compared to a proposed increase of 2.6%. PIP had an indicated change of -0.5%, compared to the proposed rate.

The filing said the study used historical loss and claim data from Texas commercial auto benchmark reports to account for increases in average claim costs that had

already occurred. It was not intended to forecast future statewide commercial auto claim costs.

What Houston business owners can review now

Commercial vehicle owners need not wait until November to know what the change will mean for their insurance policies.

The practice review can start in four areas:

Check the renewal date: Check if the policy renews around or after November 1.

- Check the vehicle list: Check to make sure that the vehicles used by the business are listed accurately.

Review drivers and limits of coverage: Check to see if the policy continues to be relevant to the business.

Compare available options: Ask an insurance agent about other options for commercial auto coverage and how the business's current policy stacks up.

TDI suggests reviewing your coverage and shopping around when buying or renewing auto insurance, and its filing resources will provide further information about rate changes submitted by insurers.

A closer look at commercial vehicle insurance in Texas

The change in the rates also highlights why businesses should look at their commercial vehicle insurance as part of a larger risk management strategy and not as an outlier cost.

Texas has specific insurance requirements for commercial vehicles. These requirements can vary depending on the weight, size, cargo, and use of the vehicle. Some interstate motor carriers may also be required to carry federal insurance.

For Houston businesses considering renewing their business insurance, knowing the difference between required and optional coverages and deciding limits that are appropriate for their business can make the renewal process much more productive.

What AZ Insurance Agency is telling Houston businesses

"The important point for business owners is to understand what this rate announcement applies to. The 4.9% change is specific to TAIPA commercial automobile rates, so businesses should review their own policy and renewal terms rather than assume the same percentage applies to them. A review before renewal can help identify changes in vehicles, drivers, coverage needs and available insurance options.

November 1 is the key date

The approved TAIPA commercial automobile rates become effective November 1, 2026, for new and renewal business.

For businesses with upcoming renewals, reviewing policy details ahead of that date can provide a clearer picture of what is changing and what is not.

The Texas Department of Insurance remains the primary source for the approved TAIPA rate changes, while the underlying TAIPA filing provides additional information about the methodology and data used to develop the proposed rates.

About AZ Insurance Agency

AZ Insurance Agency is a Texas insurance agency serving individuals and businesses across the state. Established in 2003, the agency has 15 locations across the Houston and Dallas areas and works with multiple insurance carriers to provide personal and commercial insurance options.

Its commercial insurance offerings include commercial auto, general liability, business owners' policies, workers' compensation, and surety bonds. AZ Insurance Agency also serves Spanish-speaking customers and works with businesses across a range of industries.

Official Sources

Texas Department of Insurance — Commissioner's Bulletin B-0005-26

https://tdi.texas.gov/bulletins/2026/b-0005-26.html

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