

By Senators Geller and Klein

31-1330B-06

Senate Memorial

A memorial to the Congress of the United States, urging Congress to establish a Catastrophic Natural Disaster Insurance Fund.

WHEREAS, the massive devastation wrought by Hurricane Katrina, Rita, and Wilma in 2005 demonstrated the far-reaching consequences of catastrophic events and the need for new legislation establishing federal catastrophic natural disaster insurance, and

WHEREAS, a catastrophic natural disaster such as Hurricane Katrina can lead to economic devastation throughout the country, including in many states in which the event did not occur, and

WHEREAS, ultimately the United States Government must pay for such catastrophic natural disasters as evidenced by Hurricane Katrina, and

WHEREAS, scientists warn than an even more damaging, \$100-billion storm is inevitable and predict particularly active hurricane seasons in years to come, and

WHEREAS, other recent natural disasters, including wildfires in California and tornadoes and flooding throughout the Midwest, have caused millions of dollars in insured losses and the displacement of thousands of insurance consumers, and

WHEREAS, natural hazards, including volcanoes in the Pacific Northwest and Hawaii and earthquakes in the West and along the Midwest's New Madrid fault line, continue to threaten insurance markets and consumers across the nation, and

WHEREAS, insurance protection against hurricane damage has been difficult to obtain at reasonable premium rates for

1 many residents of the United States and coastal states in
2 particular, and

3 WHEREAS, property and casualty insurers are withdrawing
4 underwriting capacity from the market by refusing to issue new
5 policies or renew existing policies or by increasing premiums
6 to unaffordable levels, and

7 WHEREAS, the unavailability and increasing cost of
8 homeowners' insurance presents a significant impediment to
9 home ownership for Floridians, and

10 WHEREAS, the establishment of a Catastrophic Natural
11 Disaster Insurance Fund that pays for damages above a
12 significant, predetermined amount, providing a backstop, would
13 limit uncertainty in insurance underwriting and stabilize the
14 insurance market, thereby increasing the availability and
15 affordability of property and casualty insurance, including
16 homeowners' insurance in the State of Florida, NOW, THEREFORE,

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18 Be It Resolved by the Legislature of the State of Florida:

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20 That the Congress of the United States of America is
21 urged to enact catastrophic natural disaster insurance
22 legislation, including a Catastrophic Natural Disaster
23 Insurance Fund that does not increase policyholder premiums,
24 and to recognize the time sensitivity of this matter and act
25 in all expediency.

26 BE IT FURTHER RESOLVED that copies of this memorial be
27 dispatched to the President of the United States, to the
28 President of the United States Senate, to the Speaker of the
29 United States House of Representatives, and to each member of
30 the Florida delegation to the United States Congress.

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