

## Sun Herald Editorial 9/11/07

Insurance crunch goes far beyond beachfront lifestyle

-- South

Mississippi has become ground zero for a national insurance crisis that too many in leadership roles in Washington don't seem to understand.

It was reported last week that a "Florida-led bid to trim homeowners' insurance premiums by creating a national risk pool met with staunch opposition from the Bush administration and lawmakers from states who said they are opposed to subsidizing 'a lifestyle of beach living.'

You can conclude by this that many of our leaders in Washington don't understand that

52 percent of all Americans

Mississippi's insurance plight has not resonated across the country in a way that has created a sense of urgency to find a solution, despite the fact that Texas, Louisiana, Alabama, Florida and East Coast states are also feeling the crunch. Our insurance challenge has become the 800-pound gorilla burdening the pace of our recovery. What will it take to find a solution? Will another area of our country have to experience a major disaster before enough leaders understand that some form of all-perils insurance must be created? And how do we convince those in the insurance industry to stop fighting the search for a solution and join us at the table?

At least one national group has come forward, thanks, in part, to local homebuilder John Ruble. On Saturday, the multi-peril insurance proposal before Congress gained a powerful endorsement from the 235,000-member National Association of Homebuilders. Given the fact that our insurance solution is all about politics and the fact that too many insurance lobbyists are working overtime to defeat current proposals for multi-perils coverage, this move by the national homebuilders is hugely important.

U.S. Rep. Gene Taylor hailed it as great news. "The homebuilders recognize that the collapse of the private- insurance market in coastal

communities is a national crisis," he said. "I am grateful to John Ruble, Bobby Rayburn, and other Mississippi homebuilders for getting this resolution on the national association's agenda."

Gulfport builder Ruble, who sits on both the state and national chapters' executive boards, said that America's housing industry needs a multi-peril option as part of the National Flood Insurance Program to stimulate business.

The plan would expand the government's flood- insurance program to include wind damage. Many private insurance groups won't write policies on the Coast, and too many South Mississippians are not rebuilding as a result. Ruble said that several of the group's member states, including Mississippi, rely on wind-pool insurance, which is a government-supported wind insurance of last resort for those who live in areas where private insurers have stopped writing wind coverage. The wind pool option is too expensive for most homeowners.

Workers in jobs critical to our nation's economy cannot afford thousands of dollars annually for wind-pool insurance, or thousands of dollars annually for long-distance commutes. We salute the Homebuilders Association for recognizing that building homes near these critical coastal jobs is not a luxury, but a necessity.

live near a shoreline. And those shorelines are significantly driving our nation's economy. What do they want the majority of Americans to do - move inland? Who will run the oil refineries, shipbuilding industries, fisheries and ports? More permanent residents are linked to the water by jobs than by the "beachfront lifestyle." What an insult that this is not understood. What an incredible lack of understanding.