

Mississippi Press Editorial 9/16/07

Our Opinion: Put multiple-peril insurance on the fast track

Here we are about at the midpoint of the hurricane season and the possibility of a major storm remains something to be feared along the Mississippi Gulf Coast.

Even if a storm doesn't occur, coastal residents are hammered by the cost or lack of insurance to cover wind-related damage. Rep. Gene Taylor's has a bill that would add wind to the national flood insurance plan. It appears to be a simple, straightforward solution to the insurance crisis that threatens redevelopment along the Gulf Coast.

Recently, the National Association of Home Builders endorsed the legislation, which now awaits a vote in the House. The association that represents about 800 local organizations and 235,000 members, stated recovery efforts have slowed partly because property insurance claims have been denied after Hurricane Katrina. Property owners also are finding insurance rates soaring.

Besides premiums that discourage rebuilding along the Coast, some insurance companies are not writing new policies to cover wind damage.

Taylor's proposal enjoys widespread bipartisan support. With a majority of nation's population living close to a coast, it's not difficult to understand why the legislation is vitally needed. The alternative to passing the multiple-peril insurance plan is to send a signal to coastal residents to start packing up and leaving. Without affordable and adequate insurance, much of the hurricane-prone coastal areas will become home to only those who can afford insurance or those willing to risk property ownership without insurance coverage.

Flood insurance has worked for many years and established ground rules for development in flood-prone areas. The multiple-peril insurance legislation establishes similar rules for building in regard to wind forces. The proposal appears sensible and needed.

The sooner wind is added to the flood insurance program, the better to remove another worry for coastal residents.

Congress ought to put this legislation on the fast track to speed its implementation, perhaps before hurricane season ends.

The Mississippi Press, Sept. 16, 2007