

# FOR IMMEDIATE RELEASE

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# NCOIL URGES CONGRESS TO CONSIDER

# NATURAL DISASTER INSURANCE LEGISLATION

      **Albany, New York, August 24, 2002**  On the 10th anniversary of Hurricane Andrew, the National Conference of Insurance Legislators (NCOIL) urged Congress to actively consider pending natural disaster insurance legislation that might ease market concerns following the next natural disaster.  In a letter addressed to House Ways and Means Committee Chair Rep. William Thomas (R-CA), NCOIL reaffirmed that H.R. 785, *The Policyholder Disaster Protection Act*, which currently awaits Committee action, warranted consideration due to the continued threat posed by catastrophic natural events.

      The letter, signed by Rep. Leslie Waters (FL), chair of the NCOIL Subcommittee on Natural Disaster Insurance Legislation, said, “Andrew demonstrated a clear and pressing need for federal legislation that would make essential coverage available and would help pay claims stemming from similar natural disasters.”  By amending the IRS tax code to allow property-casualty insurers to establish tax-deferred reserves funds, H.R. 785, the letter said, would help insurance companies “reimburse policyholders for losses from the next Andrew, as well as from other catastrophic natural events.”

      The document noted that the concept behind H.R. 785, sponsored by Rep. Mark Foley (R-FL), was similar to that endorsed in an NCOIL *Resolution in Support of Tax-Deductible Pre-Event Natural Disaster Reserve Funds and Federal Backup Insurance*, adopted in November 2001. “NCOIL looks forward,” the letter concluded, “to assisting Congress as it considers H.R. 785 and to realizing the enactment of long-discussed, long-deserved natural disaster insurance legislation.”

      Hurricane Andrew, the costliest hurricane to make landfall in United States history, struck South Florida on August 24, 1992, leaving in its wake approximately $30 billion in residential and commercial losses, including $16 billion in insured damage.

      NCOIL is an organization of state legislators whose main area of public policy concern is insurance legislation and regulation.  Many legislators active in NCOIL either chair or are members of the committees responsible for insurance legislation in their respective state houses across the country.

      For more information, please call the NCOIL National Office at (518) 449-3210.

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