

CITY OF DIAMONDHEAD RESOLUTION OF SUPPORT OF THE CLARITY LAW

WHEREAS, in Mississippi's three coast counties, property insurance premiums have escalated at an unprecedented rate since 2005, thousands of residents have been dropped by their property insurance companies, and the economic health of the coast counties and even the State of Mississippi has been negatively impacted;

WHEREAS, on the Mississippi Gulf Coast, high and escalation insurance premiums have inhibited the housing market, depressed economic growth, harmed the banking industry, and taken millions of turnover dollars out of the Mississippi Coast economy; and

WHEREAS, approximately a third of Mississippi's revenue comes from the Mississippi Gulf Coast economy, and

WHEREAS, considering the economic money multiplier effect, our Coast economy loses something like 500-700 dollars for every extra hundred dollars property owner pay in wind premiums over the state average, and

WHEREAS, wind insurance premiums in Mississippi coastal counties have been based on inaccurate hurricane models since Hurricane Katrina in 2005 and an assumption of higher property damage risk in coastal counties, and

WHEREAS, there needs to be a clear understanding of why homeowners and businesses in Mississippi coastal counties are being charged these much higher rates, and

WHEREAS, accurate data reporting from insurance companies by zip code and county is absolutely essential to protecting property owners and businesses from being overcharged, and

WHEREAS, in order to assure transparency in the insurance industry in Mississippi, legislation should be passed to *require* insurance industries to report premiums to claims data by county and by zip code, and

WHEREAS, the Mississippi Insurance Commissioner/Insurance Department is obligated to citizens to ensure just rates and therefore should support legislation for clear and transparent reporting of premium to claims data by zip code and by county, and

WHEREAS, the states of Alabama and Louisiana have already passed similar legislation, and

WHEREAS, legislation rather than mere policy changes within the Department of Insurance, will assure that property insurance companies are required to consistently report this premiums to claim data every year, despite who is elected Insurance Commissioner, and

WHEREAS, coastal legislators, cities, property owners, businesses, and the Mississippi Affordable Wind Insurance Coalition, support a bill identical to Mississippi House Bill 753 as it passed in the 214 session of the state legislature, and

WHEREAS, municipalities and county governments throughout the State of Mississippi share common interests in requiring transparency in the insurance industry.

NOW, THEREFORE, BE IT RESOLVED, that the Mayor and Council of the City of Diamondhead, Mississippi encourage the Governor and Lt. Governor of Mississippi, the Mississippi Insurance Commissioner, Mississippi State Senators and Legislators and Mississippi House and Senate Insurance Committees to support the passage and full implementation of a Clarity Law in Mississippi.

BE IT FURTHER RESOLVED, that Mayor and Council of the City of Diamondhead, Mississippi strongly invite municipalities and counties to communicate their support of an Insurance Clarity Law as described herein by passing similar resolutions thereof.

This Resolution is supported by the Mayor and Council of the City of Diamondhead and many others.

The above and foregoing resolution, after having been first reduced to writing, was introduced by Councilmember _____, seconded by Councilmember _____ and the question being put to a vote, the result was as follows:

	Aye	Nay	Absent
Councilmember Lopez	_____	_____	_____
Councilmember Lafontaine	_____	_____	_____
Councilmember Sislow	_____	_____	_____
Councilmember Rech	_____	_____	_____
Councilmember Knobloch	_____	_____	_____
Mayor Schafer	_____	_____	_____

seal

APPROVED: _____
Mayor Thomas E. Schafer, IV

ATTEST: _____
Kristin Ventura, City Clerk

THIS IS TO CERTIFY THAT THE FOREGOING RESOLUTION WAS ADOPTED BY THE CITY OF DIAMONDHEAD, MISSISSIPPI, ON THE _____ DAY OF _____, 2014.

Clerk