



## United States Senate

WASHINGTON, DC 20510-0905

November 9, 2007

The Honorable Harry Reid  
Senate Majority Leader  
S-221 Capitol Building  
Washington, DC 20510

Dear Majority Leader Reid:

We write to you today to ask that you schedule a floor vote on the Homeowners' Defense Act (S. 2310/H.R. 3355) as soon as possible.

Over the past few years, devastating natural catastrophes have weakened our nation's insurance market, leaving many Americans unable to afford adequate protection for their homes and small businesses. This bill provides the framework to stabilize this vulnerable market and help consumers find affordable homeowners' insurance.

In 2004 and 2005, Hurricanes Katrina, Rita, and Wilma cost some \$200 billion in economic losses, including insured and uninsured losses. However, this issue does not just affect Gulf Coast states. Just last month, the fires that swept across Southern California destroyed nearly 3,000 buildings and caused the largest evacuation in California history. Initial estimates indicate that this fire will cost the state billions.

These catastrophes have left insurance markets in many states in disarray, unable to provide consumers with the coverage they must have to protect their homes and businesses. For example in just the past year, more than 15,000 Long Islanders in New York were abruptly dropped from their homeowners' insurance policies. In Florida, few insurance companies are writing policies along the coast, while others continue to shed existing ones. In July, one of Florida's largest private property insurers announced its plan to drop 50,000 coastal policies.

The Homeowners' Defense Act, recently passed by the U.S. House of Representatives, provides a viable solution for the state and federal government to work together to address this crisis. This bipartisan bill encourages availability and allows states to pool risk and utilize the capital markets.

Americans deserve quick action on this issue, and need this reform. Thank you for your consideration of this urgent request.

Sincerely,

A handwritten signature in blue ink that reads "Hillary Rodham Clinton".

Senator Hillary Rodham Clinton

A handwritten signature in blue ink that reads "Bill Nelson".

Senator Bill Nelson