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SJR___ CREATING THE ALABAMA COASTAL COMMERCIAL INSURANCE
JOINT INTERIM STUDY COMMISSION.

WHEREAS, wind insurance for coastal commercial and
multifamily properties has seen a substantial increase in
costs over the past two years; and

WHEREAS, the increase of costs in coastal commercial
and multifamily properties is attributable to the supply of
wind coverage in the coastal area; and

WHEREAS, coastal commercial and multifamily
properties are becoming underinsured or not insured at all,
posing a risk to Alabama's overall economy after a
significant storm; and

WHEREAS, this state needs to evaluate the current
risk exposure to the state and explore potential programs to
provide some relief to the increasing costs of insurance on
coastal commercial and multifamily properties and to study
the means to provide for insuring the sustainability of any
proposed program; now therefore,

BE IT RESOLVED BY THE LEGISLATURE OF ALABAMA, BOTH
HOUSES THEREOF CONCURRING, That there is created the Alabama
Coastal Commercial Insurance Joint Interim Study Commission
to examine and review the current increases in the cost of
wind insurance on coastal commercial and multifamily
properties, the availability of wind insurance for coastal



29 commercial and multifamily properties, current programs
30 available to coastal commercial and multifamily properties,
31 and other programs not currently utilized by coastal
32 commercial and multifamily properties to reduce the burden
33 and risk exposure while ensuring any proposed programs to
34 assist with coastal commercial and multifamily properties
35 are sustainable.

36 (a) The study commission shall be comprised of the
37 following members:

38 (1) The Commissioner of the Alabama Department of
39 Insurance, or his or her designee.

40 (2) The State Finance Director, or his or her
41 designee.

42 (3) One member of the Senate representing Baldwin
43 County or Mobile County, appointed by the President Pro
44 Tempore of the Senate.

45 (4) One member of the House of Representatives
46 representing Baldwin County or Mobile County, appointed by
47 the Speaker of the House of Representatives.

48 (5) The Chair of the Senate Banking and Insurance
49 Committee, or his or her designee.

50 (6) The Chair of the House Insurance Committee, or
51 his or her designee.

52 (7) The Chair of the Senate Finance and Taxation
53 General Fund Committee, or his or her designee.

54 (8) The Chair of the Senate Finance and Taxation
55 Education Committee, or his or her designee.



56 (9) The Chair of the House Ways and Means General
57 Fund Committee, or his or her designee.

58 (10) The Chair of the House Ways and Means Education
59 Committee, or his or her designee.

60 (11) One representative from the Center for Risk and
61 Insurance Research at the University of Alabama.

62 (b) The appointing authorities shall coordinate their
63 appointments to assure the commission membership is
64 inclusive and reflects the racial, gender, geographic,
65 urban, rural, and economic diversity of the state.

66 (c) The Chair of the Senate Banking and Insurance
67 Committee and the Chair of the House Insurance Committee
68 shall serve as cochairs of the commission. The commission
69 shall meet as soon as practical at a time and place set by
70 the chairs. Notice of the meetings of the commission shall
71 be provided in a manner consistent with the rules of the
72 Legislature pertaining to interim committees.

73 (d) In addition to reviewing the current availability
74 of insurance and programs to coastal commercial and
75 multifamily properties, the commission shall do all of the
76 following:

77 (1) Compare Alabama's coastal commercial and
78 multifamily properties wind coverage pricing and coverage in
79 the surrounding southeastern states.

80 (2) Perform an in-depth analysis of the fiscal
81 ramifications of coastal commercial and multifamily
82 properties not having adequate wind coverage.



83 (3) Review alternatives to wind coverage to aid in
84 reduction of risk exposure in the event of future storms.

85 (4) Examine the ability of the state to sustain any
86 proposed programs designed to assist coastal commercial and
87 multifamily properties in the event of future storms.

88 (e) The Secretary of the Senate and the Legislative
89 Services Agency shall provide the necessary staff and
90 support to the commission to perform its duties.

91 (f) (1) The legislative members of the commission
92 shall be entitled to their legislative compensation, per
93 diem, and travel expenses for each day they attend a meeting
94 of the commission in accordance with Section 49 of the
95 Constitution of Alabama of 2022.

96 (2) Other members of the commission shall serve
97 without compensation but may be reimbursed for necessary
98 expenses in attending meetings of the commission according
99 to the policies and procedures of their respective
100 appointing authorities.

101 (g) The commission shall report its findings to the
102 Legislature, along with any proposed legislation, not later
103 than January 1, 2025, at which time the commission shall
104 stand dissolved and discharged of any future duties and
105 liabilities.

106 (h) Pursuant to Section 36-14-17.1, Code of Alabama
107 1975, the commission shall provide to the Secretary of State
108 a notice of all meetings, the name of each member serving on
109 the commission, and a copy of the final report and other



110 documents produced throughout the duration of the
111 commission.