

HJR220 ENROLLED



1 HJR220
2 HGW4G88-2
3 By Representatives Holk-Jones, Givens, Fidler, Shirey,
4 Pringle, Brown, Stringer, Wilcox, Drummond, Clarke, Bracy,
5 Jones, Baker
6 RFD: Rules
7 First Read: 08-Apr-25



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1 Enrolled, An Act,

2
3 EXPRESSING THE WILL OF THE ALABAMA LEGISLATURE REGARDING THE
4 STATE OF COMMERCIAL PROPERTY INSURANCE IN COASTAL ALABAMA.
5

6 WHEREAS, the economic vitality of Alabama's coastal
7 region remains a cornerstone of the state's financial
8 health, including attracting more than 11 million visitors
9 to the state annually, creating nearly 100,000 related jobs
10 for our citizens, and generating almost \$10 billion annually
11 in tourism-related spending; and

12 WHEREAS, the Alabama Coastal Commercial Insurance
13 Joint Interim Study Commission has underscored the mounting
14 instability in the availability and affordability of
15 commercial property insurance in coastal areas, placing at
16 risk the resilience of businesses, the integrity of the
17 tourism industry, and the economic security of the state as
18 a whole; and

19 WHEREAS, historical and modeled data demonstrate that
20 the financial exposure of the state to catastrophic weather
21 events is neither speculative nor abstract, but a
22 measurable, recurring, and intensifying fiscal reality, with
23 potential tax revenue losses exceeding \$400,000,000 over a
24 two-year, post-storm recovery period; and

25 WHEREAS, the Legislature acknowledges the necessity
26 of continuing exploration and discussion regarding a range
27 of potential state-level interventions, including, but not
28 limited to, a state-supported reinsurance or risk pooling



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29 program that could include evaluating mechanisms to
30 stabilize the coastal commercial insurance market through
31 state-backed reinsurance, risk-sharing agreements, or
32 catastrophe bonds to distribute financial exposure more
33 broadly across the insurance industry; and

34 WHEREAS, the Legislature and Governor should examine
35 targeted tax credits or grants for businesses that invest in
36 wind-resistant construction, fortified roofing, flood
37 mitigation insurance, and other forms of risk mitigation to
38 reduce overall insurance claims and premium volatility; and

39 WHEREAS, the Legislature may request that the
40 Governor and the Alabama Department of Insurance review
41 insurance industry practices related to rate setting, claim
42 denials and policy nonrenewals within the coastal zones, and
43 help further ensure transparency and accountability in
44 underwriting decisions that impact Alabama businesses; and

45 WHEREAS, the Legislature and Governor should assess
46 the feasibility of broadening the coverage scope of the
47 Alabama Insurance Underwriting Association's Wind Pool to
48 try to enhance affordability and help further streamline
49 claims processing for commercial properties; and

50 WHEREAS, the State of Alabama should further explore
51 using state-administered contingency funds or loan programs
52 to aid businesses in post-disaster recovery, which would
53 help prevent prolonged economic stagnation and massive tax
54 revenue losses; and

55 WHEREAS, the Legislature should consider
56 strengthening construction standards and zoning policies in



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57 high-risk areas to promote resilient development and help
58 minimize future long-term insurance risks; and

59 WHEREAS, the Governor should extend the scope and
60 work of the Alabama Coastal Commercial Insurance Joint
61 Interim Study Commission to help refine proposed solutions,
62 further engage stakeholders, and provide annual assessments
63 of market conditions and economic impact; now therefore,

64 BE IT RESOLVED BY THE LEGISLATURE OF ALABAMA, BOTH
65 HOUSES THEREOF CONCURRING, That the findings of the Alabama
66 Coastal Commercial Insurance Joint Interim Study Commission
67 are acknowledged with great interest, and that this body
68 remains committed to fostering an environment conducive to
69 further study, stakeholder engagement, and prudent policy
70 development aimed at securing the long-term economic and
71 insurance stability of coastal Alabama.

72 BE IT FURTHER RESOLVED, That a copy of this
73 resolution be provided to the Governor, the Alabama
74 Department of Insurance, and other relevant stakeholders as
75 a formal expression of this body's unwavering attention to
76 this matter.



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Speaker of the House of Representatives

President and Presiding Officer of the Senate

House of Representatives

I hereby certify that the within Act originated in
and was passed by the House 10-Apr-25.

John Treadwell
Clerk

Senate

24-Apr-25

Adopted