

Mrs. Julie P. Magee
Commissioner of Revenue
50 North Ripley Street
Montgomery, Alabama 36132

Via Certified Mail

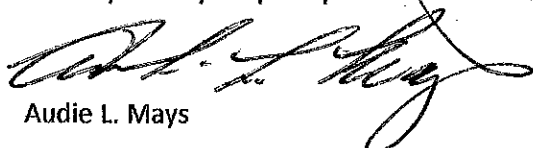
Dear Mrs. Magee

Under the Alabama Freedom of Information Act I am requesting copies of any and all correspondence including, but not limited to, letters, memoranda, minutes, directives, emails, text messages, or tweets between you, or your office, and Mr. Bill Bass, or his office, and between you or Mr. Bass (or your respective offices) as well as like correspondence or communication with the elected officials, or city or County employees of Lauderdale County, the city of Florence and the especially the Lauderdale County Revenue Commissioner's office as such correspondence pertains to the Lauderdale County Board of Equalization.

Code of Alabama Title 40: Section 40-3-4 states, in part; "Should any person ... for any other reason herein enumerated become disqualified to serve as a member on said board, or should a vacancy on any board occur from death, resignation, or any other cause, then the Commissioner of Revenue shall select from the remaining nominees on the list from which such original nominee was taken a person to fill the position to which such disqualified person was first appointed or to fill the vacancy on said board.... Should the remaining nominees be, for any reason, disqualified to serve on said board, then the Commissioner of Revenue shall request the proper nominating body to name three additional persons eligible to serve on said board, and from such additional nominees a person shall be selected to fill the vacancy occasioned by the disqualification of the original nominee or nominees or other vacancy."

It would seem that those we elected with the authority and responsibility to insure the field is tilted toward fairness have abandoned us to the career bureaucrats in Montgomery. The three term mayor of Florence recently stated that he was unaware of his government's obligation to nominate Board members and at the same time the four term Lauderdale Revenue Commissioner claimed that for most of the time he has been in office a duly constituted Board has not existed and has been supplanted by state revenueurs. Although Title 40: Section 40-3-5 specifically prohibits government employees from serving as Board members - bureaucrats from the Property Tax Division of ADOR continue to pose (as recently as July 24, 2011) as "Board" members to hear assessment objections and then proceed fully clothed with the authority of the Board. The Department of Revenue employees were aided in their charade by Mr. Hendrix's letters to objecting land owners inviting them to bring their case before the "Board" in the Lauderdale County Courthouse. Upon arrival protestors found no "Board" members were present - and only when they became suspicious and pressed for an answer were they eventually told that the "Board" consisted solely of members of the Department of Revenue.

Thank you for your prompt attention to this matter.



Audie L. Mays

256-366-2328

90 Eugenia Drive
Killen, Alabama 35645

audiemays@bellsouth.net

ALTON R. & SHIRLY A. PHILLIPS
100 TOWER DR. # 204
DAPHNE, AL. 36526
251-644-4515 FAX 251-644-4515
CELL 423-4887 OR 423-1066
alshph@aol.com

SEP 2011
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Commissioner's Office
Alabama Dept.
of Revenue

9-5-11

AFFORDABLE HOMEOWNERS INSURANCE COMMISSION
C/O ALA. DEPT. OF REV.
4112 GORDON PERSONS BLDG.
50 NORTH RAPLEY ST.
MONTGOMERY, AL. 36132

SUBJECT: AFFORDABLE WIND INSURANCE

TO WHOM IT MAY CONCERN:

IN 2003, MY WIFE AND I TOOK WHAT WAS LEFT OF OUR RETIREMENT FUND AND USED IT TO CONSTRUCT A OFFICE WAREHOUSE COMPLEX. WE HAD DECENT RETURNS THRU 2006, THEN INSURANCE STARTED ROCKETING OUT OF SIGHT. WE ARE NOW NOT ABLE TO AFFORD WIND COVERAGE ON THE WAREHOUSE COMPLEX.

THIS YEAR, JUNE, 2011 OUR WIND COVERAGE WAS DROPPED.

IN 2006 WE PAID \$ 1,875.00 FOR LIABILITY, FIRE AND WIND (FULL COVERAGE).

2010 WE PAID \$5,666.00 FOR FULL COVERAGE. (300% INCREASE IN 4 YEARS)

2011 FOR LIBILITY AND FIRE ONLY OUR PREMIUM IS \$3,700.00

2011 FOR WIND COVERAGE THROUGH THE ALA. BEACH POOL OUR PREMIUM WOULD BE
\$ 28,230.00 PLUS \$ 3,700.00 = \$30,930.00 PER YEAR
COMPARED TO
\$ 1,875.00 IN 2006

THIS IS A 1600 % INCREASE IN 5 YEARS.

PLEASE HELP US WITH OUR INSURANCE PROBLEM, IT'S OUR LIFE SAVINGS, WE CAN'T SALE THIS PROPERTY AND WE CAN'T INSURE IT.

YOURS TRULY,



ALTON R. PHILLIPS



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Alabama Dept.
of Revenue

Alabama Insurance Commission
Listening Forum

Name: THOMAS KARWINSKI Email: tkarwinski@201.com

Address: 17 S. LAFAYETTE ST.
MOBILE, AL 36604 Phone: 251-478-1468

Address of Insured Property (if different): _____

Mobile County

Baldwin County

Washington County

Please describe your insurance challenge in detail:

Since I purchased my house 12 years ago, I have had my insurance policy with one company. Renewal over the past few of those years have been nothing but significant increases in premiums even though I have not made a single claim over those years. There has not even been a significant weather threat to my area over those last few years. I finally changed my insurance carrier due to that very reason.

I have come to believe that insurance companies treat those of us who live near, not on, the coast unfairly. We pay significantly more for home insurance then the rest of the state and must bear the burden of a comparatively much higher deductible. Our area is no more susceptible to wind damage then any other area in the state, especially considering the occurrence of tornados which have the potential of creating more damage then wind from a hurricane.

I can not help to believe that the insurance commission, the party responsible for reviewing insurance rate increases, does not review insurance companies increase proposals objectively and with the consumer in mind. I do not believe he even bothers to review rates on a comparative basis across the state as a whole. In fact, I can not help to believe he is overly influenced by insurance companies.

The cost of homeowners insurance coverage should be logically and reasonably balanced through the whole state. No one pocket of the state should bear unfair burden for the profitability of the insurance providers.

James, Delois

From: Magee, Julie
Sent: Thursday, September 01, 2011 4:17 PM
To: James, Delois
Subject: FW: Affordable Ins Comm

Please add to the file.

-----Original Message-----

From: Shehee, Byron
Sent: Thursday, September 01, 2011 3:54 PM
To: Magee, Julie
Subject: FW: Affordable Ins Comm

This lady asked for your contact information.

Ms. Fowler,

We do have a person named Julie Magee on the Affordable Insurance Commission. She is also the State Revenue Commissioner. By a copy of this note to Byron Shehee I am asking that he give you her contact information. If you have any other questions, please call.

Ben Brooks

-----Original Message-----

From: benbrooksiii@aol.com [mailto:benbrooksiii@aol.com]
Sent: Thursday, September 01, 2011 3:29 PM
To: acowart@bankozarks.com; Shehee, Byron
Subject: Re: Affordable Ins Comm

Byron,

I received this note from Ms. Cowart. Please see that her thoughtful e-mail is circulated to all the Commission Members.
Ben

-----Original Message-----

From: Andrea Cowart <acowart@bankozarks.com>
To: benbrooksiii@aol.com
Sent: Wed, Aug 31, 2011 11:29 am
Subject: Affordable Ins Comm

Hello Sen. Brooks,

I attended the forum you had in Mobile for the Affordable Insurance commission. Thank you for spending some time with us. I was unable to speak my comments that evening ... unlucky in the draw, I guess! Please forward the following comments to the commission:

"I live in Cypress Shores Subdivision. This is a waterfront community of modest homes built primarily in the 1960's-70's and it was hit hard by Katrina. Many of the non-waterfront homes flooded. The market value on homes in this neighborhood are modest...most non-waterfront are under \$150,000 and even the waterfront homes are primarily under \$300,000. Certainly in line with most of Mobile County.

My concern is our diminishing values that are compounded by the insurance problem here. When a non-waterfront homeowner wants or needs to sell their home, the listing price is usually below \$150,000 but the insurance can be as high as \$5,000-6,000/year due to the one time flood. A buyer in the \$150m and below market can not afford an extra \$400+/mo for insurance. This will usually disqualify them for the loan. This dries up the buyer market for these homes and as a result, the sellers must either drastically reduce their price in order to sell or they must put it up as a rental property.

Price reductions (and lately foreclosures) are affecting the value of every home in our neighborhood. Rentals are also affecting our values. Renters do not have a "pride of ownership" in their house because they don't "own" it. If there is a problem with the home, they report it to the landlord. If the landlord is unable/unwilling to repair it then it does not usually get repaired. We have also seen an increase in petty crimes over the past 6 months that I believe, although I have no evidence, that this is as a direct result of this increase in renters in our area. The increase in numbers seems to coincide with each other. We also see an increase in litter which flows into the waterways and ultimately affects quality of life in the entire city. Again this goes back to the pride of ownership issue.

I do not believe that government mandates of what our insurance premiums should be is the answer. I think government intervention can cause more problems than it solves, however a recent conversation with an insurance agent of 27 years leads me to believe that without our government putting some limits on the insurance industry, we may not have a prayer. I also think that Alabama can not solve this problem on it's own. I think we need to involve Mississippi, Louisiana, Texas, and Florida in this battle. If we are able to band together in some way then our power is increased. If we stand alone, and tell the companies to comply or get out, I think they will leave.

Some ideas:

We need transparency from these companies on a regional level. I need to know how Mobile premiums/claims/profits/losses compare to Huntsville, Birmingham, Montgomery, etc. We need to have more choices in our replacement coverage. A homeowner that does not have the obligation of a mortgage should be able to choose any amount of replacement coverage that they would like to have. They are not beholden to the lender and if they are smart enough to own a house free and clear then they are certainly smart enough to decide for themselves how much insurance they need to carry.

We need to have our replacement cost estimates based on building costs for our specific area. This could open a can of worms because I have no idea how we compare to other areas but using a national average does not make sense to me. We need a way to increase competition. I have no idea how to do this....not much help but I know we need it!

We need to know more about the "off brand" companies that many of our local agencies write through now. Some people think that they are insured with Farmers because their Farmers agent got the policy for them but they are actually through a company with no other presence in our state. For example, Geovera is insuring a massive amount of homes here. What laws are they bound to (CA or AL), what is their solvency (cash reserves), do they only write in high-risk areas, if they don't pay then what are the consumer options, etc?

Educate the rest of the state to the fact that we are not just coastal rich folks who live on the beach and drink margaritas and play tennis all day. The families most affected by this problem make only average wages and many are below average/single parents/elderly and their homes are mid-range to low-range of the market. My own personal home is waterfront and valued at only approx \$250m.

This is lengthy but I needed to pass it along to you. Please move on this issue...not just talk and pass it around until all of the appointed members have moved on to other positions and no longer serve. We are suffering...we are losing our homes...we are unable to help our neighbors and we want to live in the communities that we love.”

Thank you once again...
Andrea Cowart
Commercial Loan Assistant
Bank of the Ozarks
200 Dauphin St
Mobile AL 36602
(251) 694-1739

WARNING: This communication may contain privileged or confidential information and is intended solely for the addressee. All email sent to or from this address will be received or otherwise recorded by the Bank of the Ozarks email system and is subject to archival, monitoring or review by, and/or disclosure to, someone other than the recipient.

Ed Steele

From: "Ed Steele" <edsparadise@gulftel.com>
Date: Friday, December 10, 2010 3:14 PM
To: "Botta Laura" <aurab@tbmbi.com>
Subject: Homeowner Insurance - 11 Lagoon Drive, Gulf Shores, AL 36542

When I left a message on your answering machine yesterday, I have reflected as to what I said. I am not a phone person, preferring letters and emails. I have had to return to work part time at the local Target Store in order to keep just a few feet from the waters surface. After being retired for 21 years, and at the age of 74, it has not been easy, but hasn't hurt me yet. We have had to work some extra long hours and more days since the holidays began. When I referred to you having a bad day, what I meant to say, as bad as I was having that day. I apologize. Nevertheless, an annual premium by Lloyd's of London is almost criminal, matching their 15% increase from last year. There has not been a hurricane that has caused any damaged in our community going back to 2004' s Ivan. In 2005 there was Dennis and Katrina, but little or no damage to Gulf Shores, and non whatsoever in our community. 2006, 2007, 2008, 2009 have continued to leave our community untouched by any hurricanes. 2010 was remarkable, in that the entire gulf coast dodged the bullet, not ever came close to Gulf Shores, and our property has been kept safe now for the past six years.

The premium in 2005 was \$2,187, 2006 \$3,869, 2007 \$5,533, 2008 \$4117, 2009 \$3960, and 2010 \$3742. There is absolutely no justification for an increase this year of \$576.

I hold Thames et. el. responsible to represent me in this matter as did Barbara S., at the Gulf Shores office two years ago. The justification for a rate less that the 2010 rate of \$3742 is the history of no hurricane damage threats to this community, and that we have been loyal clients since 2005, and do not deserve to be treated so shabbily by Lloyd's of London, and Thames et. el.

Your suggestions to increase or reduce other structures, personal property and loss of use, is to conceal the extent of this unjustified increase in premium. We are aware that higher personal liability limits and/or personal umbrella coverage is available, also that excess flood is available. This community is not in a flood zone, and has never had flood damage, at least going back to 2004.

So, here we go again, as every year. We will contact at least four other insurance agencies in the area, to see if we can get a lower premium quote for the same coverage. Anything lower that Lloyd's of London's, quote will be secured, even if it less than \$1. We are even considering becoming self insured, as if we had done so beginning back in 2005 we could have saved ourselves \$23,408.

There is no further reason for you to contact us, unless it is to clarify the matter, or to present a different proposal than the \$4318.

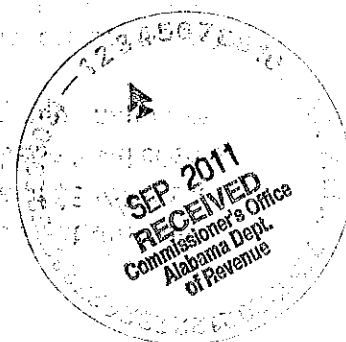
Regards,

Edward D. and Doris B. Steele

11 Lagoon Drive

Gulf Shores, AL 36542

251 233 1980



12/10/2010

Susan J. Snow
105 Chestnut Ridge
Fairhope, AL 36532

August 30, 2011

Affordable Homeowners Insurance Commission
c/o Alabama Department of Revenue
4112 Gordon Persons Building
50 North Ripley St.
Montgomery, AL 36132

Re: Homeowner's Insurance:
Large Hurricane Deductibles/SBA Loans/Reverse Mortgages

To the Panel:

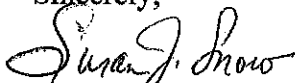
I found it distressing a couple months ago to read in the Mobile Press-Register that Gov. Bentley believes SBA loans will be the answer in meeting the huge deductibles that most Gulf residents will be faced with should we have a destructive hurricane. Homeowners with Reverse Mortgages (a fast-growing number of seniors) would not qualify for an SBA loan (or a home equity loan) as they are prohibited from using their homes as collateral.

Reverse Mortgage holders are required by the lender to carry wind insurance. Most homeowners are opting for high deductibles in order to afford wind insurance at all. As they would not have access to an SBA loan, their only recourse for help with their deductible would be FEMA. Generally, FEMA does not help homeowners who have insurance. If a homeowner applied to FEMA for assistance with the deductible the most they would receive is some assistance in making the home habitable (or temporary housing), but no assistance in restoring the home to its former condition.

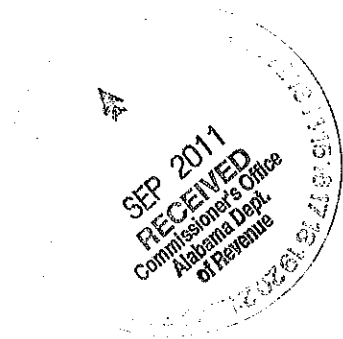
I'm hopeful the State of Alabama will finally bring all force to bear to resolve this growing crisis for its residents. I hope your panel will consider every aspect of this problem as information comes pouring into you from distressed residents. Full comprehension and assistance from the State is long overdue. Individual homeowners cannot be expected to independently bear this burden whether they be seniors on fixed incomes or young struggling families.

Thank you for your attention and good luck with this endeavor. We're counting on you.

Sincerely,


Susan J. Snow





William Smith
2512 Oak View Drive
Mobile, AL 36606
August 30, 2011

Affordable Homeowners Insurance Comm.
C/O Alabama Dept of Revenue
4112 Gordon Persons Building
50 North Ripley Street
Montgomery, AL 36132

Dear Sirs;

My homeowner insurance carrier, Allstate, canceled my wind, hail, and flood coverage about 2 years ago. I obtained wind coverage through the AIUA "BeachPool." I recently allowed that coverage to expire because of the wildly excessive cost, and high deductible.

The annual premium for my wind coverage was approximately 1% of the value of my house, with a deductible of about \$6,500. In other words, AIUA figured that there was 1 chance in 100 that wind would blow my house away, down to the bare ground, sometime within the next 12 months. I live in the City of Mobile, approximately 30 miles from the Gulf of Mexico, but seem to be in a pool of homeowners who live in places like Dauphin Island or Gulf Shores. The probability that my home will be completely destroyed by wind is probably more like 1 in 10,000. It survived Camile, Frederick, Katrina, and many other storms with no more than a few hundred dollars in damage. Now the insurers suddenly think that it will be completely destroyed. There seems to be no consideration that the building might receive anything less than 100% loss.

Although it might be desirable for people living on barrier islands, or on beach-front property, to lower their premiums by including low risk property in the same pool, this practice in effect forces low risk property owners to subsidize insurance for those living in highly exposed areas. People like me should not be

punished for other people's bad decisions. Premiums should be based on the risk for the actual location of individual property, and the probable extent of damage for that location.

Also, I believe that the AIUA and other insurers should have to publish how much money they collect for wind and hail coverage in each community, how much they pay out in claims, and the total amount that homeowners pay in deductibles.

Best regards,

A handwritten signature in cursive script that reads "Bill Smith".

William Smith

August 30, 2011

Affordable Homeowners Insurance Commission
c/o Alabama Department of Revenue
4112 Gordon Persons Building
50 North Ripley St.
Montgomery, AL 36132



Re: 5541 Riverwood Landing
Theodore, AL 36582

To Whom It May Concern:

I am responding as a concerned citizen and impacted homeowner to the Affordable Homeowners Insurance Commission. We have lived in Mobile county and South Alabama our entire lives. We've lived through all hurricanes, tropical storms and depressions that have impacted the area and never filed a wind claim. Since building a home in south Mobile, County, Alabama in 2007, we have experienced significant increases in our homeowners' insurance premiums, as well as, deductibles.

Our home is located south of Interstate 10, at least 30 miles from the Gulf of Mexico. We built post Hurricane Katrina to building codes established after the storm which included the requirements for steel rods to be installed from "our ceiling through our slab" and for hurricane straps to be on all rafters. Even though we were built to the new code and standards, our homeowners' insurance premiums have continued to increase. Insurance carriers are not using enhanced building codes as a means to lower premiums.

At our 2011 renewal, Farmers Insurance, our carrier at the time, mandated that we join the wind pool for wind coverage. Our wind insurance premiums combined with our standard homeowners' insurance premium would have been in excess of \$5,700. We had adjusted in 2008-2009 to a \$3,000 annual premium with a standard (not wind or named storm) deductible of \$5,000 and a 10% hurricane deductible to get an affordable premium. For reference, our insurance premiums in 2007 were \$1,700. The 2011 renewal represented a 235% increase with no claims made, and no storms impacting the area.

We are considered a middle to middle upper level income family. Adjusting to the \$3,000 premium was difficult, but adjusting to what would consist of a \$600 per month insurance premium could not be absorbed in our budget.

We shopped insurance and found a "second tier" carrier willing to write coverage for the \$3,000 annual premium we were paying, as long as, our house passed inspection. Upon inspection, we were dropped from our coverage because our house was not built to a building code established after our house was constructed. In order to reinstate our insurance, we were required to adhere to the 2010 building codes, which required three nails in each of the hurricane straps in our roof. The code in 2007, when our house was built, required two nails in each strap. Do I think that one additional nail will make the difference in damage during a hurricane? No. Did we pay the \$1,000 required to have the work done to maintain insurance? Yes.

I think there should be a four-pronged approach to the insurance situation.

Justification:

I am not sure how or why insurance companies are allowed to increase premiums 200-300% or more without justification. I understand if our home was located directly on the beach or coastal waterfront, but using an interstate that meanders up and down all along the coast is wrong. The law should require a defined distance from a defined body of water. Flood insurance is not required in our neighborhood nor is it an issue. Flood insurance is a federally mandated and regulated program. Insurance carriers package wind coverage into homeowners' insurance with huge premiums. I believe that the insurance premium should be supported by documented losses and "coastal" should be a defined distance from a defined body of water. Coastal should not mean 40, 50 or 70 miles inland from an open body of water or direction relative to an interstate.

Building Codes:

While I think that building codes requiring more structurally sound built homes are warranted, I think that this is only one piece to the solution. Furthermore, I believe a home should be judged on the building codes in place when the home was constructed. The insurance carriers use updates to building codes as justification for raising premiums on older homes. Additionally since the 2007 building codes were put in place in Mobile County and again changed in 2010, no storms have impacted the area. In our example, we had to accept a higher deductible because we were built to the 2007 building code and not the 2010 building code, neither of which have been tested by a storm for effectiveness.

Prohibit red-lining:

In banking, it's called red-lining. A bank cannot choose to provide services in a particular market and intentionally omit providing services to an area in that market deemed less desirable, i.e., "higher-risk".

Insurers can and have been red-lining markets in Mobile County, particularly after Hurricane Katrina. For example, State Farm will not write homeowners insurance south of Interstate 10 in Mobile County. I know because I have requested State Farm to write my homeowners'

insurance, since State Farm writes my automobile, life, and liability policies. State Farm refuses to write homeowners' insurance south of Interstate 10, however, accepts all premiums for automobile, life, disability and other insurance products from residences who live south of Interstate 10 in Mobile County.

It seems logical to me that if an insurance carrier receives the premiums for automobile, life, disability, or any other insurance products, in a particular area, then the insurance carrier should be required to write a portion of homeowners' insurance within that same area. If the carrier is not willing to write a portion of the homeowners' coverage then the insurance carrier should not be allowed to write other insurance policies within that market or be required to pay a penalty for not writing homeowners' insurance in markets where they reap the benefit of premiums for automobile and other types of insurance.

Disclosure and Transparency:

It's a hot topic! The Dodd Frank Wall Street Reform Act, the Sarbanes Oxley Act, and many other legislative actions have screamed the need for disclosure and transparency. I believe insurance carriers should be required to fully disclose how premiums are calculated and provide comparisons to premiums charged within markets. Additionally, I believe insurance carriers should be required to disclose on an annual basis how much your insurance premium could increase over a 3 to 5 year time frame. Now, it's a wait, hope and see game between the insurance carrier and the policy holder. The policy holder has no knowledge of why the premium skyrockets or how the increase was calculated.

I am a firm believer in free-enterprise and a less-regulated economy. The laws of supply and demand usually will self-regulate. For the homeowners' insurance within the coastal Alabama markets, the laws of supply and demand are not working. The demand should be cause for carriers to enter the markets, but the carriers are not entering the markets. Thus, the carriers who remain in the market are allowed to charge excessive premiums because the "demand" warrants it.

In this instance, regulatory intervention is warranted. I believe that relief for homeowners in coastal Alabama or any area impacted by severe weather will only come through regulatory action, and that the regulatory action should not be limited to only tightening building codes. Regulation must also address the suppliers in the markets.

Sincerely,


Leigh Thompson

5541 Riverwood Landing
Theodore, AL 36582

August 30, 2010

Affordable Homeowners Ins Commission
C/O Alabama Department of Revenue
4112 Gordon Persons Building
50 North Ripley St.
Montgomery AL 36132



Attention: Mr. Tim Russell:

I read in this morning's newspaper Press –Register, August 30, 2011, that your commission welcomes comments from frustrated homeowners. I am one of those frustrated homeowners. I live in Lake Forest, Daphne AL, 45 miles from the Alabama coast. I am 77 years old and have been a homeowner for the last 50 years. My wife and I have lived in Daphne for the past 18 years and never submitted a claim against our homeowner's policy. I have been a loyal homeowners insurance customer for all these years, but 3 years ago, my insurance company dropped my hail and wind coverage. I checked other insurance companies for coverage, but being retired and on a fixed income I could not justify paying the high cost they quoted, therefore I do not have any hurricane coverage for my home.

Yes, I am frustrated, for in the same paper I read that the Dow Jones industrial average jumped 254 points and insurance stocks went up yesterday because analysis lowered their estimates of how much damage the Irene hurricane would cause! How can insurance stock prices go up when insurance companies have to pay out? Is this because investors and stockholders predict that insurance companies can now justify raising their rates in those areas affected by hurricanes and tornados and possibly use that same justification to raise rates in other areas of the state as they did with the Katrina hurricane? I still would like to know how much money the insurance companies have taken in since Katrina and how much they have paid out in the Mobile and Baldwin counties. But having a business background, I know you can do anything you want to with figures and report the results you want, so it's going to take some strong legislation action from your office to get the insurance companies and their rates back in line with the needs of the Alabama homeowners.

Good Luck,

Henry R. Talton
Henry R. Talton

Daphne AL



SEP 2011
RECEIVED
Commissioner's Office
Alabama Dept.
of Revenue

Alabama Insurance Commission
Listening Forum

Name: JAMES PECH Email: JAPECH72@YAHOO.COM

Address: 216 ORLEANS DRIVE Phone: 334-782-5503

Address of ^{FUTURE} Insured Property (if different): ^{PROPERTY TO BUILD HOME} (17081 COUNTRY RD. 9, SUMMERDALE)

Mobile County Baldwin County Washington County

Please describe your insurance challenge in detail:

MOVED TO BALDWIN COUNTY TO BUILD A RETIRE HOME LOCATED ON FISH
RIVER NORTH OF HWY 98 OF COUNTRY RD. 9. MY DECISION WILL BE
TO CARRY HOMEOWNERS OR BE SELF INSURED, HAVING ^{ONLY} ~~ONLY~~ FIRE + THEFT.
WITH SUCH HIGH DEDUCTIBLES, I WOULD HAVE TO PAY FOR ANY REPAIRS
REGARDLESS OF HOMEOWNERS INSURANCE OR NOT,

Nancy Therrell
9321 Colt Dr
Semmes, Al36575



SEP 2011
RECEIVED
Commissioner's Office
Alabama Dept.
of Revenue

August 30, 2011

Affordable Homeowner Insurance Commission
c/o Alabama Department of Revenue
4112 Gordon Persons Building
50 North Ripley St
Montgomery, Al 36132

Dear Sir:

I am a widowed senior citizen on Social Security. I still pay a mortgage on my home. Over a year ago Wells Fargo advised me I needed wind insurance on my home and I had to get it. Well, I am paying three times the amount for it that I pay for my home owners insurance. My home owners is only \$482 a month and the wind is \$1109 a month. This added over a \$100 month on to my monthly payment. I believe this is highway robbery on the insurance companies. Something needs to be done about it now. I had no choice because afraid the mortgage company would drop me if I did not get this insurance? What are the senior citizens suppose to do when they live on limited incomes? This needs to stop now.

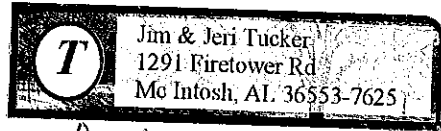
Would appreciate anything the state can do to stop the high insurance rates on wind insurance that would especially help senior citizens in Alabama.

Thank you for listening and would appreciate all you can do.

Sincerely,

Nancy Therrell
Nancy Therrell

Dear Sir,



8/30/2011

My wife and I live 50 miles north of Mobile in Southern Washington County. We have very high wind damage deductibles! also we are forced to pay premiums for \$200,000⁰⁰ replacement cost when the house is worth \$100,000⁰⁰. My home is an S.S. Steel house and I can have it totally re-built by them for less than 100,000⁰⁰. The insurance companies say they have a rate sheet and it does not matter what insurance I want to pay for - they dictate to me what they want me to pay. We live on Social Security and savings and are about to cancel our insurance. Naturally if they inflate my house value, my deductibles are more and my premiums are more. Everyone should be able to buy whatever amount of insurance they want, not be forced to pay 2 times as much as the house is worth!! Please address this issue. I have not had any claims for at least 10 years and the 2 claims I had in the last 30 years were under \$500⁰⁰ total - Plus they were within 1 year and that insurance company cancelled me after 20 years of paying premiums because the claims were close together. Thank you for your help J & J Tucker



SEP 2011
RECEIVED
Commissioner's Office
Judicial Dept.
of Justice

August 30, 2011

Affordable Homeowners
Insurance Commission

Dear Committee,

This letter comes to tell you my experience this year, I had insurance on property, a mobile home in Elberta AL, with Baldwin Insurance (when Tim Russell was there, he signed me up in 2005. This year they dropped my coverage and suggested I look elsewhere.

Most Insurance Companies would not insure mobile homes, those that did the cost was way too high, others wanted me to bundle my insurance needs, I could not do that at this time.

The fact is I do not live at this property, my daughter does and she is on SSI. I try to help her financially but being retired and on a limited income, and with this insurance more than doubled as my home insurance has to find it impossible.

I hope the Commission can help people rest easy and be able to be insured.

Thankyou for reading
this letter.

Constance Kreves
303 Lincoln St.
Fairhope AL, 36532

SEP 2011
RECEIVED
Commissioner's Office
Alabama Dept.
of Revenue

6413 Waverly Drive North
Mobile, AL 36608
251-343-6534 (Home)
251-460-7149 (Work)

August 31, 2011

Affordable Homeowners Insurance Commission
c/o Alabama Department of Revenue
4112 Gordon Persons Building
50 North Ripley Street
Montgomery, AL 36132

Gentlemen:

I saw the article in the Mobile Press regarding comments to this panel and I thought you might be interested in what I sent to my insurance company June 30, 2011, as some of the situations in the Press sounded like mine. As of this date, I have not received a reply. When I spoke with my State Farm representative a couple weeks ago to ask why I had not received a reply, she said that she had "been on maternity leave and hadn't gone through all her mail."

I am hoping the Affordable Homeowners Insurance Commission will keep working toward getting some relief for property owners. I am 80 years old, but I am one of the fortunate ones to be able to work 40 hours per week, but when I retire, it will be impossible to pay the insurance on my house, especially if the rates continue to go up year after year.

Thanks so much for your efforts in getting some affordable insurance rates for everyone.

Sincerely,


Edith A. Vickers

Reprint

June 30, 2011

Ms. Adrienne Fisher
State Farm
4742 B Airport Blvd
Mobile, AL 36608-3134

Re: 0220-0175-09

Dear Ms. Fisher:

I am writing regarding the 18% increase in my home insurance that I received recently and am wondering why it increased so much. I have not filed a claim on my house since Hurricane Katrina in 2005, and as I remember, State Farm only paid \$400 plus on that claim. I have all my car insurance with you, plus this policy, and also an Umbrella Policy for my property. When I called your office recently and spoke with the clerk, she said they hadn't gone up on insurance in a while, which wasn't necessarily true and told me twice most everyone was paying \$2,000 or more, and mine only \$1,692.98. I know by having all my insurance with you, I do benefit from some discounts.

I have researched my records since 2003 as to how much insurance has gone up and compared my property assessment from Mobile County and found that there is considerable difference in what they value my dwelling and what you value it. I believe that property values have gone down during this depression with all the foreclosures; however, you increased mine from \$100,800 to \$106,200 since 2008, which is a \$5400 increase (see attached recapitulation). Obviously, if I should have a claim, with the value of my property steadily increasing, I will have to pay more for the deductible (1% or 2% of total, whether regular/hurricane related).

Another thing, I used to have \$100 deductible, and then was increased to \$500 deductible; then the 1% of value, which is a big increase in that respect.

Obviously, I'm wondering, with my good experience with State Farm, why it has gone up so much. I would appreciate your response in writing please.

Sincerely,

Edith A. Vickers

Edith A. Vickers
6413 Waverly Drive North
Mobile, AL 36608-3565

Edith A. Vickers
Recapitulation of Home Insurance Cost,
Property Values, Assessment, etc.
June 30, 2011

Date	State Farm Dwelling Value	Mobile County Property Assessment	Difference in State Farm and Mobile County	Annual Premium
07/12/11-07/12/12	\$106,200	\$ Not available	\$ Not available	\$1,693
07/12/10-07/12/11	103,800	87,400	16,400	1,434
07/12/09-07/12/10	103,800	89,600	14,200	1,276
07/12/08-07/12/09	100,800	89,600	11,200	1,264
07/12/07-07/12/08	99,000	86,400	12,600	1,250
07/12/06-07/12/07	93,200	84,200	9,000	1,138
07/12/05-07/12/06	85,500	73,800	11,700	1,076
07/12/04-07/12/05	79,600	66,400	13,200	997
07/12/03-07/12/04	74,600	57,400	17,200	1,053

September 01, 2011

To: Affordable Homeowners Insurance Commission
c/o AL Department of Revenue
4112 Gordon Persons Building
50 North Ripley Street
Montgomery, AL 36132

SEP 2011
RECEIVED
Commissioner's Office
Alabama Dept.
of Revenue

From: Gertrude T. SMALL, Homeowner *grt*
613 Ivis Avenue
Mobile, AL 36617

Re: Comments on Wind/Hail Insurance Costs

	<u>Month/Year</u>	<u>Agency</u>	<u>Amount Paid</u>	<u>Increase</u>
Paid	November 2007	Allstate	<u>Dual Coverage</u> \$ 2342.89	
<u>Note:</u> (Near end of 2007-2008 coverage period, Allstate dropped many clients in Mobile area.)				
Paid	November 2008	AL Ins. Underwriters Assoc.	<u>Amount Paid</u> <u>Wind/Hail</u> \$ 1223.00	<u>Increase</u>
Paid	November 2009	AIUA	\$ 1367.00	\$ 144.00
	November 2010	AIUA	<u>Quoted</u> \$ 1542.00	\$ 175.00
Did not Renew Did not Renew	June 2011	AIUA	<u>Quoted</u> \$ 2228.00	\$ 686.00

Note: (Homeowner could not afford to renew in November 2010 nor June 2011 due to huge increases with no claims having been filed. In addition to paying AIUA for (2) two years for wind/hail coverage, homeowner was also paying Allstate for regular homeowner's coverage.)

September 3, 2011

SEP 2011
RECEIVED
Commissioner's Office
Alabama Dept.
of Revenue

Affordable Homeowners Insurance Commission
c/o Alabama Department of Revenue
4112 Gordon Persons Building
50 North Ripley Street
Montgomery, Alabama 36132

Re: Alabama Homeowners Insurance

Dear Commissioners:

The Alabama law which does not allow consumers to insure a structure for less than the whole value is, indeed, the most ridiculous and unfair statute ever passed by the Alabama Legislative body.

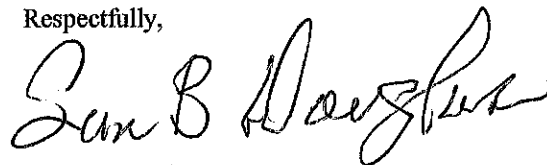
If I own my home and know that its worth \$100,000 to me, the insurance companies send out their appraiser who turns in a \$175,000 appraisal.

In my case, my insurance agent sold me a policy for \$134,000; then sent out their appraiser. As what was described as a "courtesy to me", they advised that my house was in fact worth \$233,000 and that a bill for the balance of my premium would follow.

It has occurred to me that - even if my house was completely destroyed by a storm or tornado - I would still own a lot worth, at least, as much as the buildings located on it. Because of this law, I assume that I have been paying insurance premiums on the lot for the last forty years thanks to the Alabama Legislature. Certainly, this is totally unfair to the homeowner.

I am happy that problems with the insurance laws in Alabama are finally being given some attention in Montgomery and will greatly appreciate any input or influence this Commission may exert in order to resolve the flaws in our Alabama Insurance Laws.

Respectfully,



Sam B. Douglas
1300 Rainbow Drive West
Mobile, Alabama 36693
(251) 661-2942

P.S. Alpha dropped my wind and hail insurance so I retrofitted with a new fifty year metal roof. Guess what!! My property taxes were raised so much they are now higher than my insurance was!! I guess there is no way to win.....

In' on fixed income +
my home Insurance is \$3,000
of it making it hard on me.

If they spend millions on
advertising how many new
customers does that bring in
Cut some of that out + reduce
our insurance.

E. Campbell

SEP 2011
RECEIVED
Commissioner's Office
Alabama Dept.
of Revenue

PRESS-REGISTER

ent in Dothan

Ragan Ingram, chief of staff to Insurance Commissioner Jim Ridling, said that current state law doesn't require a consumer to insure a structure for less than the whole value. Ingram said allowing consumers to pick a value less than replacement cost might be an option for the council to consider.

"I know that's something some legislators have indicated in the past that they're interested in," Ingram said.

The commission has public hearings next month in Tuscaloosa, Decatur and Guntersville, to be followed by additional deliberations.

People who can't attend a meeting can mail comments to:

Affordable Homeowners Insurance Commission
c/o Alabama Department of Revenue

4112 Gordon Persons Building
50 North Ripley St.
Montgomery, AL 36132



FARMERS
80 YEARS SERVING AMERICA

SPECIAL FORM HOMEOWNERS
FIRE INSURANCE EXCHANGE, LOS ANGELES, CALIFORNIA
A Reciprocal Company

DECLARATIONS
HOMEOWNERS
Replaces all prior Declarations, if any

TRANSACTION TYPE: AMENDED DECLARATIONS

The Policy Period is effective (not prior to time applied for) at described residence premises.

POLICY NUMBER	POLICY PERIOD			POLICY EDITION
	FROM:	TO:	STANDARD TIME	
91970-40-68	02-04-2009	12-18-2009	12:00 NOON	04

ISSUING OFFICE:
P.O. BOX 149044
AUSTIN, TX 78714

This policy will continue for successive policy periods, if: (1) we elect to continue this insurance, and (2) if you pay the renewal premium for each successive policy period as required by our premiums, rules and forms then in effect.

INSURED'S NAME & MAILING ADDRESS: HENRY G BERGMAN PO BOX 1111 FOLEY AL 36536-1111	LOCATION OR DESCRIPTION OF RESIDENCE PREMISES: (Same as mailing address unless otherwise stated.) 20667 COUNTY ROAD 28 FOLEY AL 36535-3085
---	--

DESCRIPTION OF PROPERTY

YEAR OF CONSTRUCTION	CONSTRUCTION TYPE	ROOF TYPE	NUMBER OF UNITS	OCCUPANCY
2001	ALUMINUM OR PLASTIC SIDING	SHEET METAL PANEL	001	OWNER

COVERAGES - We provide insurance only for those coverages indicated by a specific limit or other notation.

SECTION I - PROPERTY				SECTION II - LIABILITY		ANNUAL PREMIUM
A - DWELLING OR MOBILE HOME	B - SEPARATE TOILET STRUCTURES	C - PERSONAL PROPERTY	D - LOSS OF USE	E - PERSONAL LIABILITY	F - MEDICAL PAY TO OTHERS	
\$179,000	\$17,900	\$125,300	\$53,700	\$100,000 Each Occurrence	\$1,000 Each Person	\$1,760.04

ENDORSEMENTS

ENDORSEMENT NUMBER	EDITION NUMBER	DESCRIPTION
AL006A	1ED	ENDORSEMENT AMENDING SECTION 1 CONDITIONS - SUIT AGAINST US
E4040A	1ED	ENDORSEMENT AMENDING SECTION II - EXCLUSION
E4207	1ED	EXCLUSION AMENDING SECTION II - LIABILITY
E6018A	2ED	AMENDING DEBRIS REMOVAL COV AND POL EXCLUSION
E6044A	3ED	BUILDING ORDINANCE OR LAW COVERAGE ENDORSEMENT
E6120	2ED	CONTENTS REPLACEMENT COST COVERAGE
E6311A	1ED	E6311A HURRICANE PERCENT DEDUCTIBLE
H6104	2ED	ENDORSEMENT AMENDING LOSSES NOT INSURED
H6106	1ED	SPECIAL LIMITS ON SPORTS CARDS
S5004	1ED	PUNITIVE OR EXEMPLARY DAMAGES EXCLUSION

DISCOUNTS

50 PLUS, NEW HOME, NON SMOKER, AND HOME SECURITY DISCOUNTS HAVE BEEN APPLIED TO YOUR POLICY.

DEDUCTIBLES

\$1,000 Deductible is applicable to covered losses under Coverage A, B, C.
THE FOLLOWING DEDUCTIBLE(S) APPLIES TO THE PERILS NAMED:
2% OF COV A HURRICANE DEDUCTIBLE APPLIES.

POLICY ACTIVITY

\$ NONE	Previous Balance	
	Premium	
	Fees	
	Payments or Credits	ANY "TOTAL" BALANCE OR CREDIT \$7.00 OR LESS WILL BE APPLIED TO YOUR NEXT BILLING. BALANCES OVER \$7.00 ARE DUE UPON RECEIPT.
\$ NONE	Total	
MORTGAGEE PAYS		

This Declarations page is part of your policy. It supersedes and controls anything to the contrary. It is otherwise subject to all other terms of the policy.

AGENT: Henry N. Russell

AGENT PHONE: (251) 947-3606

AGENT NUMBER: 50 06 355

Countersignature

Anthony R Jackson

Authorized Representative

Insured

Coverage is provided under this p
the residence located at:

3

HENRY G BERGMAN SR

20667 COUNTY ROAD 28
FOLEY

AL 36535-3085

20667 COUNTY ROAD 28
FOLEY

AL 36535-3085

Mail To: Insured

HENRY G BERGMAN SR

20667 COUNTY ROAD 28
FOLEY

AL 36535-3085

Producer Name & Address #BCU112
Phone: 251-445-8300

HRT INSURANCE GROUP LLC

6475 SPANISH FORT BLVD STE C
SPANISH FORT

AL 36527

GeoVera Specialty Insurance Company

DECLARATIONS

Policy Number	Policy Term	Effective Date	Expiration Date
GC00012335	12 Month(s)	12/18/10	12/18/11 12:01 AM Standard Time at the Insured Premises.

Insurance is provided only with respect to those specific limits of liability applicable thereto:

POLICY COVERAGE(S)	LIMITS
Section I	
A - Dwelling	\$ 191,000
B - Other Structures	\$ 19,100
C - Personal Property ?	\$ 133,700
D - Loss of Use	\$ 38,200
Section II	
E - Personal Liability	\$ 300,000
F - Medical Payments to Others	\$ 2,000

AMOUNT	ANNUAL
Premium	\$ 2,935.00
Policy Fee	\$ 75.00
State Tax	\$ 180.60
Total Policy Amount	\$ 3,190.60

Section I Deductible
\$ 1000.00

Windstorm/Hail Deductible
\$ 5730.00

Forms and endorsements made part of this policy at time of issuance:

*CLIL 09-07 *HO-04-96 10-00 *US-04-35 09-07 *US-05-15 06-09
 *HO-00-03 10-00 *US-01-09 09-07 *US-04-42 09-07 *USPRIV 09-07
 *HO-01-01 05-08 *US-03-55 09-07 *US-04-91 09-07
 *HO-04-77 10-00 *US-03-80 09-07 *US-05-02 09-07
 *HO-04-90 10-00 *US-03-82 09-07 *US-05-05 09-07

*Has to be kept for
12 MOS, NO change bt
HB*

Authorized Agent:

James Donald Guy
 Bay City Underwriters
 P.O. Box 161004
 Mobile, AL 36616-1004
 Surplus Lines Agent, # A062080

Countersigned by:

J. Am Guy
 Countersigned at: Mobile, AL 12/18/10

THIS CONTRACT IS REGISTERED AND DELIVERED AS A SURPLUS LINES COVERAGE UNDER ALABAMA SURPLUS LINES INSURANCE LAW

THIS DECLARATION PAGE, WITH POLICY PROVISIONS AND ENDORSEMENTS, IF ANY, ISSUED TO FORM A PART THEREOF, COMPLETES THE ABOVE NUMBERED HOMEOWNERS POLICY.

FOR POLICY QUESTIONS OR CUSTOMER SERVICE, CALL YOUR PRODUCER AT 1-251-445-8300

September 1, 2011

Affordable Homeowners
Insurance Commission
4112 Gordon Persons Building
50 North Ripley St
Montgomery Alabama 36132

SEP 2011
RECEIVED
Commissioner's Office
Alabama Dept.
of Revenue

RE: Your request for public input from the Mobile Press-Register article dated August 30, 2011.

By insurance companies being allowed to raise rates at different times, caused us to move from company to company several times. I believe as follows...

- State Farm (25+-years customer. Home, vehicles, life in Wetumpka and Daphne)
- Allstate (5-6 years, home, vehicles in Daphne)
- Farmers (2007 to present in Daphne... home, vehicles, continue to question their raises every year and they adjust them back)

Therefore it is difficult for us to provide a clear history for review.

Each time our rates dramatically increased, we would find a better rate, although temporarily as it turns out, however it felt good to "fire" the one you were leaving.

Our questions are...

- What happened to? "You're getting this rate because all YOUR insurance is with us and you've been a loyal customer FOR SO MANY YEARS!"
- How can a viable business collect (in their terms) a reasonable rate for 36 years (Frederick in 79' to Katrina in 05'), and then suddenly need to raise rates 50-100%?

- What about the folks that have paid premiums for 50 yrs and never had a claim?
- How can a "viable" insurance business, regulated by the state of ALABAMA, be allowed, by the actions of the Insurance Commission, to increase rates more than 10% in any given year?
- How can ANY, "Risk Based" business, justify increased premiums over 10% a year?


- **IT'S THEIR JOB TO ABSORBE THE RISK! NOT PASS IT ON TO THE CUSTOMER AFTER THE FACT!**

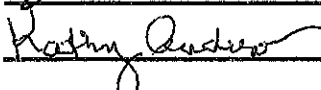
- Any increase more than 10% year, means someone, EVERYONE, (Insurance Company AND Insurance Commission) have "Been a Sleep at the Wheel" and not managed what they were charged to DO!

- Therefore, the insurance companies need to be held accountable.

Sincerely,

Phil and Kathy Anderson





8214 Creekbank Dr
Daphne AL, 36526

Palmer Nelson
21594 County Road 85
Opp, AL 36467-6102

August 31, 2011

Affordable Homeowners Insurance Commission
c/o Alabama Department of Revenue
4112 Gordon Persons Building
50 North Ripley Street
Montgomery, AL 36132

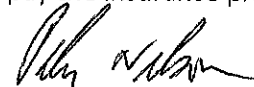
SEP 2011
RECEIVED
Commissioner's Office
Alabama Dept.
of Revenue

I read an article in the Mobile Press-Register today encouraging residents to send comments to the panel for affordable homeowners insurance. I am writing to provide my comments. I am sure that you will receive many letters begging you to reduce their insurance costs using all resources available. I doubt that you will receive many dissenting letters, but this is one.

I live in a Covington County. The people in my county are poor. The people in Mobile and Baldwin County want the legislature to take action to lower their insurance premiums. It is obvious that the money to pay the claims and catastrophe reinsurance must come from somewhere. I empathize with the residents of those counties that have higher catastrophe risks. However, it will be an injustice to impose the costs of those residents' insurance to the other residents of the State in any shape or form. Too many people in America are looking for a hand out. I urge the commission to not suggest that the residents of the non-coastal areas pay the insurance cost in the coastal counties in any form.

The Governor recently mentioned in a press conference that the insurance costs of his vacation home in Baldwin County was 3 and a half times as high as his home in North Alabama. I understand his frustration but I do not appreciate the underlying presumption that the cost should be the same for the two locations. Does the Governor think that a retired person living in a modest dwelling in Covington or even Dekalb County should pay more in insurance so he and others could enjoy lower premium rates for their beach homes in Baldwin County? I understand his message to imply as much.

I understand that there is much frustration and a solution is needed. I can even offer you a solution. I suggest that the people who think that their insurance premiums are too high and profitable to the insurers keep the money and effectively insure themselves. They can keep and enjoy all of those "profits." For those that cannot afford to sustain the loss or are required by lenders to carry insurance, I offer two possible solutions – move or re-prioritize your budget to eat more bologne and less steak and pay the insurance premiums with the savings.


Palmer Nelson

PROTECTING ***
AMERICA.ORG

PREPARING FOR AND PROTECTING AMERICA FROM CATASTROPHE

Admiral James M. Loy, National Co-Chair
Former Deputy Secretary, Department of Homeland Security
Commandant, U.S. Coast Guard (Retired)

James Lee Witt, National Co-Chair
Former Director, Federal Emergency Management Agency
Former Chief Executive Officer, International Code Council

September 2, 2011

Affordable Homeowners Insurance Commission
4112 Gordon Persons Building
50 N. Ripley Street
Montgomery, AL 36132



SEP 2011
RECEIVED
Commissioner's Office
Alabama Dept.
of Revenue

Dear Affordable Homeowners Insurance Commission Members:

We applaud the fact that you have been chosen as a member of the Affordable Homeowners Insurance Commission tasked with addressing the persistent lack of affordability in Alabama's insurance market for homeowners.

Unfortunately, the lack of affordable, private-market insurance is not an isolated problem. High premiums and growing state insurance programs like Alabama FAIR plans are symptoms of a larger underlying reality—the fact that natural catastrophe exposure has increased while our nation does not have a comprehensive or fiscally sound and proactive program used to manage natural catastrophes.

The current catastrophe management system fails to adequately prepare, protect, and respond to catastrophes. The system breaks down in several ways and should be overhauled. It is essentially an after-the-fact, retrospective, and unreliable program. The insurance part of the system has not worked efficiently either. Private markets have contracted and premiums have skyrocketed in many places and state government programs or so-called markets of last resort such as the Alabama FAIR plans have grown.

In our view, the status quo is unacceptable and a better approach is needed.

The foundation of natural catastrophe management should not be endless taxpayer bailouts. A better system needs to be in place for the sake of our nation's fiscal health and affordability in homeowners' insurance markets. We are advocating for such a system.

Our solution would provide a comprehensive, integrated approach that would better prepare and protect consumers. It would begin to build a privately-funded backstop and provide state and local governments with significant additional funding for the important goals of prevention and mitigation, emergency preparedness and consumer education.

ADMINISTRATIVE OFFICE
160 West State Street
Trenton, NJ 08608

Toll Free
(877) 266-6660

NATIONAL ADVOCACY
500 Eighth Street NW * Suite 200
Washington, DC 20004

We are proposing improvements that, in the aggregate, will work to create a nation which is prepared for both the physical damages as well as the financial impact of a catastrophe. Most importantly, this approach will add certainty and stability to an insurance market currently defined by volatility—this way more insurance protection will be available to consumers at a lower cost.

America needs a natural catastrophe management plan that is fiscally responsible and proactive. We would be glad to provide more information and would like to meet with you in order to further discuss how our solution can be crafted to address Alabama's specific needs.

Thank you for your time and consideration. We look forward to answering any questions that you may have.

Thank you again for your leadership and initiative in the State of Alabama.

Sincerely,

JAMES LEE WITT, National Co-Chair
Former Director, Federal Emergency Management Agency
Former Chief Executive Officer, International Code Council

ADMIRAL JAMES M. LOY, National Co-Chair
Former Deputy Secretary, Department of Homeland Security
Commandant, U.S. Coast Guard (Retired)
Statement for the Federal Disaster Assistance Budgeting hearing of the
Financial Services and General Government Appropriations Subcommittee

SEP 2011

Affordable Homeowners Insurance Commission

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Alabama Dept.
of Revenue

I was in attendance at the committee meeting in mobile. I did not speak because I got there late and you already had more to speak than time allowed. I totally agree the time for talk has ended and immediate action is required.

My rate on insurance for my home (230,000) before all this stupidity and insane rates got out of hand was between \$800 and \$900 dollars a year for 2% deductible. It was \$1,877 dollars a year when the good hands people who I had been with for 10 years decided to cancel me. I might add this was after I was assured if I moved my vehicle insurance over to them they would keep me insured.

The first rate I was offered after cancellation was \$9,700 a year. I have had no wind and hail since. The latest quote this week thru the beach pool was \$4,800 a year. The gentleman that made the statement to you in the meeting at mobile about not wanting to rent his house from the insurance company after he paid for it is absolutely an accurate statement.

These insurance companies want to cover us for fire, theft and liability on which they seldom have to pay. Yet even if no hurricane is even in the gulf they still don't want to cover wind and hail damage. I want you to tell me anywhere else in the U.S. This is true on policies other than the coast.

SEP 2011

RECEIVED
Commissioner's Office
Alabama Dept
of Revenue

ON top of all this B.S. I got my bill for fire, theft and liability from the great good hands people (Allstate). Guess what they raised my rate 17% from last year. \$569.⁰⁰ YR TO \$665.⁰⁰. You thank they might be forcing me to subsidize their tornado losses in northern Alabama.

I seem to remember some overbearing statements from then Senator Lowell BARON about not wanting to subsidize our insurance for people choosing to live on the coast. Also I think he referred to us as all a bunch of millionaires. I would say no more than 2 or 3% would fit in this category. A big percent of us are retirees on fixed incomes, including myself.

I think a lot of minds probably got changed by the tragedy from the outbreak of tornados. I have seen the devastation in the Rainsville area, as we have been there on mission trips for repair and rebuilds. wonder how the arrogant ex Senator BARON feels now. Never too late to apologize and for us to forgive.

There is also the matter of about 32% of Montgomery's revenue comes from Baldwin and mobile counties. You might say we have been subsidizing many things for northern Alabama for a long time.

I don't think this line of thought is a good thing. America was built by neighbor helping neighbor and I still feel this is the

right approach today.

We came to montgomery about 2 years ago to testify in front of the Legislature about our insurance program. I think there were about 37 of us, one of which is on your 31 member group. (Michelle Kurtz).

I hope our legislators are a much better group than what I experienced two years ago.

Please get on this problem immediately and get us some fair treatment on this crisis. Lets remember we are all ALABAMIANS.

God Bless

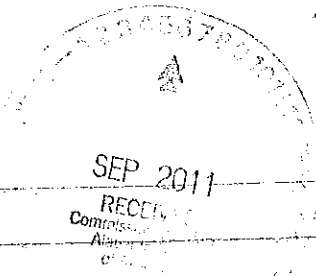
Your in my prayers,

Sincerely

MR. CAROL E THOMAS

5411 Bent Tree Circle

Orange Beach AL 36561



Sept. 1, 2011
 3601 Wulff Rd.
 Stearns, Al.
 316575

Dear to whom this concerns,
 I am a 66 year old
 woman who lost my husband
 to cancer two years ago.
 I still have to work 40 hrs
 a week to get by.

I have Farmers Homeowner
 ins. In Aug 2006 I paid \$867.49

Aug 2007 — 1,003.04

Aug 2008 — 1,096.16

Aug 2009 — 1,628.88

Aug 2010 — 1,647.12

For Aug 2010, I had to
 raise my deductible to \$2,500.00
 and hurricane loss.
 \$4,560 hurricane loss

Aug 2011 — \$1,904.44

(over)

When I retire next year, I
will not be able to keep
my homeowner's ins.

Please help us.

The cause of all this is
 greed. The ins. Co. wants to
 keep all the money and for
 us to pay for the damage

Thank-you! 251- 649-7588

Mary Ann Pearson

Thursday Sep 1, 2011

Affordable Homeowners Insurance Comm.

Montgomery, AL



SEP 2011
RECEIVED
MONTGOMERY, AL

Greetings,

I was unable to attend the large meeting in Mobile last week regarding the issue of insurance policy cost relief. Our local newspaper said I could submit my comments via (this) letter.

I'm not going to whine about the unfair price hikes State Farm has imposed on our household; I've already done that with them, in person, to no avail. I'll try and keep it to the facts that need to be considered by the commission.

Specifically, the largest policy rate hike we have experienced for our home since we insured it with State Farm 16 years ago occurred *this year*, long after our last serious storm (Hurricane Ivan) back in '95. Our home is still mortgaged for another six years so homeowner's insurance is not only practical, but a must... The escrow payment portion of our mortgage payment jumped a *big* amount, this spring. And yes, we are on a fixed income... (No one has fixed it in years).

My gripe/concern centers on the facts:

- (1) We have replaced our shingled roof with a storm-resistant metal one, at great expense.
- (2) We have purchased and installed from a licensed dealer Miami code window storm shutters called "Fabric Shield" to the tune of over \$4000, a few years, ago.
- (3) We now have storm doors for all entrances to the home.
- (4) We replaced our older garage door with a 140-mph rated reinforced model. It was not cheap!
- (5) We have physically removed all adult/heavy timber trees far away from the home in order to protect our dwelling.
- (6) Reinforcement straps were used in the construction of the home.

These are significant and expensive hurricane-proofing upgrades to our home that make it much less likely to incur any storm damage other than an ultra-rare tornado. State Farm has not sent anyone to our home to evaluate these storm-proofing upgrades nor have they considered such in a break on our exorbitant new rates. Given the thrilling 5% deductible that automatically goes into effect once a Hurricane Warning has been issued for our area, our insurance company is essentially removed from any risk exposure, at all. And no, we don't have resources to cover the amount represented by this 5% *gouge*, in the unlikely event any damage would occur, at all!

So what are we paying for other than the giant profit margins of State Farm? Short of a house fire, they have no risk, at all. And the risks from tornados and fire damage are no greater than they have ever been. So why the crazy price hike?

I have been a customer of State Farm's for **42** years with policies for cars, boats, life, renter's, and home coverage. Evidently there is no consideration or loyalty toward their faithful customers... I will not cancel my coverage with them as they are a deep-pocket business who can handle major emergencies without balking. Moving to a smaller, seemingly more-affordable insurance company might not be too wise. And getting back in with State Farm may not be easy as they are shedding home owner policies like an old dog does hair... In effect, it is a form of extortion as it is nearly the only game in town. But they are getting away with a lot....

Our home is located (20 miles inland at 100' elevation) in the part of the official emergency preparedness evacuation map of Baldwin County for a Category 5 storm. In other words, we are deemed safe to stay put for anything up to and including a rare Cat 4 tempest. Please consider my concerns; I/we would appreciate any relief from *unreasonable* policy fees and coverage, including the 5% deductible rip-off in the event it would need to be applied to an unlikely claim.

Sincerely,

A handwritten signature in black ink that reads "Ed Landry". The signature is written in a cursive, flowing style with a prominent loop at the end of the last name.

Edward Landry

18875 US Highway 90

Robertsdale 36567 251-947-5094



SEP 2011

Alabama Insurance Commission
Listening Forum

Name: CONNIE KIRKLAND Email: KKbbq@gmail.com

Address: 30312 RIVER RD., ORANGE BEACH, AL 36561 Phone: 251-980-5993

Address of Insured Property (if different): SAME

Mobile County Baldwin County Washington County

Please describe your insurance challenge in detail:

IN 2004 BEFORE HURRICANE IVAN OUR HOME INSURANCE WAS \$2066/ANNUALLY
WITH A \$1000 DEDUCTIBLE ON \$264,000 THAT TRANSLATE TO \$172 MONTH.

THIS YEAR 2011 MY HOME INSURANCE IS \$8138/ANNUALLY WITH A
15,000 DEDUCTIBLE ON \$300,000. THAT TRANSLATES TO \$678/MONTH

BEING RETIRED ON A FIXED INCOME, I AM CURIOUS WHAT THE COST WILL
BE IN 7 MORE YEARS. IT MAY BE MORE THAN AVERAGE PERSONS CAN AFFORD,
EVEN \$8138 IS MORE THAN MOST PEOPLE CAN PAY.

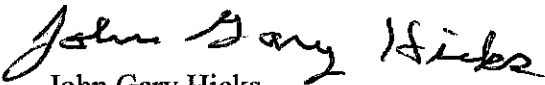
703 Hernando Place
Dauphin Island, AL 36528
Sept 1, 2011

Affordable Homeowners Insurance Commission
Dear Commissioners:

My home on Dauphin Island is 700 feet from the Gulf of Mexico, but in flood zone X. I understand that the house has higher risks of damage from hurricanes than inland homes - and that my AIUA insurance premiums should be higher than others. However, the repair costs due to wind damage to my well-constructed house never exceeded my deductible for hurricanes Ivan, Katrina, Dennis, Cindy, Gustav, or Ike.

My question is: why did my premium increase by 40 % the last two years when there were no storms? I submit that premiums for each house should depend to a large degree on how well THAT structure faired in past storms. Claims data would indicate the house's performance. I would appreciate your consideration of these ideas.

Sincerely yours,


John Gary Hicks

SEP 2011
RECEIVED
Commissioner's Office
Alabama Dept.
of Revenue

**EARL L & VIRGINIA S SULLIVAN
9486 LAKE WOODS COURT
SEMMES AL 36575**

August 30, 2011

Judge Tim Russell, Mr. Ben Brooks
Affordable Homeowners Insurance Commission
Alabama Department of Revenue
4112 Gordon Persons Building
50 North Ripley Street
Montgomery, Alabama 36132

SEP 2011
FBI
COMMUNICATIONS SECTION
MONTGOMERY, ALA
36102

Dear Sirs:

My wife and I have been retired over ten years and until recently have thought that we had budgeted ourselves quite well. Then we received a letter from Allstate Insurance notifying us that they were dropping our wind and hail coverage. But, not to worry they just happen to own a company that would provide coverage at a substantial increase in premiums.

We met with our agent on August 17 and after going over all options gave him a check in the amount of \$3,246.92, premium for one year of coverage. This was an increase of \$1,668.05 over the amount paid August, 2010. We also had to sign a form acknowledging that if the company went bankrupt or otherwise out of business we would have no recourse with the state of Alabama as this company (North Light Specialty Ins) was not licensed or regulated in our state.

We have been insured by Allstate for twenty plus years without filing a claim and live in an area that is not subject to disaster, yet the major company's that we sought estimates from gave us the same story as Allstate.

Our question is how the State Insurance Commission allowed this to happen and what will be done to rectify the situation?

Thank you for your time and attention to this matter.

Sincerely,

Earl L. Sullivan
Virginia S. Sullivan
Earl L. and Virginia S. Sullivan

Aug 30, 2011

112 Windsor Court

Daphne, AL 36526-7504

SEP 2011

RECEIVED
Commissioner's Office
Alabama Dept.
of Revenue

Affordable Homeowner Insurance Commission

To Alabama Department of Revenue

4112 Gordon Persons Building, 50 N. Ripley St

Montgomery, AL 36132

Gentlemen:

I am 80 years old widow living on a fixed income with no COLA from Social Security for the past 3 years!

The payment of \$2619.80 [^{\$654.99, 4x} year] for Homeowner Insurance is, needless to say, much too high!

It is time that Homeowner Insurance costs be lowered. The stock of State Farm has and is doing well! I'm angry at being charged this huge amount. Time for it to be lowered. No more increase in rates.

Sincerely,

Dorothy L. Rankins

EARL L & VIRGINIA S SULLIVAN
9486 LAKE WOODS COURT
SEMMES AL 36575

August 30, 2011

Judge Tim Russell, Mr. Ben Brooks
Affordable Homeowners Insurance Commission
Alabama Department of Revenue
4112 Gordon Persons Building
50 North Ripley Street
Montgomery, Alabama 36132

SEP 2011
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