



TUWaterWays

Water News and More from the Tulane Institute on Water Resources Law & Policy

Authors: Christopher Dalbom, Mark Davis, Haley Gentry, and Ximena De Obaldia

October 4, 2024

Are we going to keep talking about climate and insurance or do something productive about it?

The scale of tragedy Hurricane Helene has inflicted across the Southeast has been devastating. Although Helene won't have the same dramatic impacts on homeowners insurance markets in the same way as Ida and Ian, that's not much of an assurance for two reasons. First, the market is already in such bad shape depending on where you look. Florida residents pay about \$8,000 more in annual property insurance premiums than the national average. We're feeling the insurance woes and the impacts to the housing market here in New Orleans, but the crisis is nothing compared to what's been [happening in Terrebonne Parish](#). After many small insurers went insolvent after Ida, many residents can only get insurance through the state insurer of last resort, with policies for some households nearing \$20,000 annually. The Parish has lost nearly 6% of its population over the past three years, and all signs seem to indicate that trend will continue.

Second, Helene presents uniquely difficult challenges from an insurance standpoint. Most of the damage across Georgia and the Carolinas was a result of flooding and mudslides caused by floods – damages that homeowners policies do not cover. It's estimated that [only 2% of the homes outside of Florida that flooded during Helene's damage had flood insurance](#) policies. Though [FEMA recently updated its disaster assistance rules](#), which increased the amount of aid available to survivors, it comes nowhere close to addressing the widespread damage, leaving no clear path forward. And, as an aside, [Congressional leaders are in no hurry](#) to provide disaster funding through FEMA for Helene victims.

It's another reminder that insurance is not going to save us from climate change. That's not to say it isn't an extremely important tool. But due to affordability issues and the simple fact that communities are often unaware of the array of risks they face in a rapidly changing climate, there will always be under- or un-insured homes that will suffer new kinds of damage, and there will always be barriers even for those who do have insurance. Once again, this requires holistic, long-term solutions. A [Florida representative recently introduced a bill that would create a national catastrophe reinsurance fund](#). Critics frame it as a bill to make other states pay for Florida's insurance crisis. Which has some truth to it, and this particular proposal might not be the best structure for such a program, but framing it as making other states pay overlooks the fact that communities across the U.S. are going through this regularly, just at a more localized scale. Yes, there are states (like the one Tulane is in) that have an outsized share of hurricane risk. But there's no state that's immune to severe storms, floods, and wildfires. A federally backed (and well-thought out) natural disaster reinsurance program would actually be incredibly useful for all those places hit by Helene that did not have the proper type of insurance. Not to mention those hit by the next disaster around the bend.

Do you have a Mississippi River vision board?

Yesterday, the Army Corps held its [quarterly update for the Lower Mississippi River Comprehensive Study](#). The team is two years into the five-year study that will be used to guide public works and programs on the Lower River. Maybe [they should talk to Oprah](#). Because while the Army Corps formulates its long-term plans, there are some pressing matters. Once again, for the third year in a row, the Army Corps has had to construct a sill to slow saltwater intrusion from the Gulf. Let's do a scan to see what other folks have planned for Mississippi River water resources.

[President Biden is expected to sign a bill](#) that would exempt chip semiconductor manufacturing project from environmental review under the [National Environmental Policy Act](#). Back in January, [Indiana officials halted plans for an industrial park meant to attract microchip firms to the state once it was discovered how much water was needed](#) (and the fact that the proposed water solution was to pipe in up to 100 million gallons a day from an aquifer 40 miles). Beyond intense water demand, this type of manufacturing is also emissions intensive. Though the federal government doesn't have [authority](#) over state water supply matters, the review process requires agencies to consider many things, including how much water a proposed facility would use and how it would impact the environment and municipal water supply. It's the reason [the Army Corps is reevaluating permits for a Hyundai EV manufacturing plant](#) near Savannah, Georgia. There are investments in dozens of these plants across the country. [Many are in the Mississippi River main stem and tributaries](#) and in highly water stressed areas. Considering many states don't closely regulate water use, this is cause for concern – a NEPA exemption would mean nobody has to even think about water use until it's already been used up. Especially with all the other new uses planned for the river's water, for renewable fuels and data centers...

A handful of South Dakota [congressmen requested the feds conduct a feasibility study on piping Missouri River water](#) to supply the western part of the state. Even though such a project would need an intrastate water transfer, the [Big Muddy](#) is a key part of the Mississippi River system. And [of course, there are still those out West](#) who are talking about bringing in water from the Mississippi River system to solve its water crisis. We get it. We'd be jealous if we had to live [thousands of miles](#) away from America's greatest river of all time.

Coming Up:

[State of the Coast 2025](#)
Proposals Deadline EXTENDED to October 7, 2024

Water jobs:

[Engagement Manager](#); National Audubon Society; New Orleans, LA

[Community Science and Environmental Education Manager](#);
Pontchartrain Conservancy; New Orleans LA

[Sportsmen Outreach and Policy Specialist](#); National Wildlife Federation;
New Orleans, LA

[Visiting Professor \(Clinical Assistant Professor\)](#); Tulane Environmental
Law Clinic; New Orleans, LA

[Water Program Policy Specialist](#), Arizona; The Nature Conservancy;
Phoenix, AZ

[Manager, Ocean Policy](#); World Wide Fund for Nature; Brussels, Belgium



The [Tulane Institute on Water Resources Law and Policy](#) is a program of the Tulane University Law School. The Institute is dedicated to fostering a greater appreciation and understanding of the vital role that water plays in our society and of the importance of the legal and policy framework that shapes the uses and legal stewardship of water.

6325 Freret Street, 1st Floor
New Orleans, LA 70118
504-865-5915
tulanewater.org