



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

May 17, 2024

Is It Time For Allstate To Consider Rebranding Itself as Thirtytwostate ?

You're in . . . hands. [Insurers writing homeowners policies across the country are losing money - in 2023 alone, insurers in 18 states were unprofitable.](#) Meaning that, thanks to climate change and extreme weather, we're finally hitting the point where claims are regularly exceeding collected premiums across the country. Those of us in South of [Interstate](#) 10 are no stranger to the exodus of insurance companies, rising premiums, or state insurers of last resort. If California, Florida, and Louisiana were getting lonely in the spotlight for having a bad homeowners insurance market, it turns out there's plenty more room at the table. Problems have gotten notably worse in states previously thought to be low risk, like Iowa, Arkansas, Minnesota, and many others. Households across the Midwest are getting dropped by their insurers, and for many of those who still have insurance, deductibles have gone through the roof – literally. In [Marshalltown, Iowa](#), two major storms, a tornado in 2018 and straight line wind event 2020, caused repeated concentrated roof damage in the area. Homeowners there are now being dropped by their insurer after just one or two claims, and those who still can get insurance have had premiums skyrocket and their deductible jump to \$125,000.

The connection between hurricane and wildfire risks and the growing insurance crises has been at the center of attention, but this recent data really paints a picture for how more [isolated, severe storms are beginning to upend the homeowners insurance sector.](#) As the number of insurers writing homeowners policies continues to decline, more and more folks will be pushed onto state insurers of last resort. And when you can't get insurance, whether due to unavailability or unaffordability, you can't get approved for mortgage. Even more, if your policy contains more damage exclusions or has a very high deductible, it could hinder the ability to recover after a natural disaster. Those who are able might choose to self-insure, but many more will likely be priced out, raising serious questions about the habitability of many places that don't seem high risk today. But in order to mitigate climate effectively and equitably, there has to be [plan](#) in place.

Federal, state, and local officials walk into a pub. The bartender will only accept one card for payment. Who's picking up the tab?

It's Joe Biden, and he's more than happy to. Today marks the last day of [Infrastructure Week](#) (though the Biden Administration prefers [Infrastructure Decade](#)). Since the Infrastructure Investment and Jobs Act passed late 2021, the federal government has announced \$454 billion in funding for 56,000 projects across the country, ranging from drinking water system upgrades and road elevations to green energy deployment and community resilience. These infrastructure investments are a key factor in the Administration's wider approach to prepare for future climate change impacts, especially when the states won't. This week, Florida lawmakers passed a measure that will [largely remove climate change from all state statutes.](#) For a state that is particularly vulnerable to climate impacts, it's certainly an interesting [move](#).

Too often, it takes a tragedy to prompt government action and investment to deal with these questions of climate change adaptation. These tough questions have been forced upon the people of Porto Alegre, the capital of Brazil's southernmost state, Rio Grande do Sul. Last week's record-breaking [floods have taken the lives of at least 149 people,](#)

leaving large stretches of the city underwater and 600,000 residents displaced. Over the past two years, Porto Alegre's mayor made significant cuts to the local flood prevention program. The governor of Rio Grande do Sul set aside a whopping \$10,000 in the [annual budget for emergency preparedness](#). Thankfully, Brazil's president is sending emergency funding for recovery redevelopment. [Another round of heavy rains](#) hit the region this week, and it's now predicted [floodwaters will take several weeks to recede](#). The ongoing crisis, on the heels of several storm events earlier this year, have prompted [wider conversations about environmental policy](#) and climate migration. Going forward, the question of how, or whether, to rebuild in some areas must be carefully considered.

This Story Is Not About A [WOTUS](#)

There just aren't as many of those around anymore to write about. But out in the great American West, the wetlands are on a Rocky Mountain high. Last week, [Colorado lawmakers passed a major piece of legislation](#) that aims to protect wetlands and streams that are [no longer subject to the federal Clean Water Act](#). The [new law](#) will regulate dredge and fill activities in state waters, making it the first state to rise to the occasion following the Supreme Court's decision in [Sackett v. EPA](#). Moreover, it sets federal standards as the floor, removing potential restrictions on the state's authority to introduce more stringent or protective provisions. However, it does exempt irrigation canal maintenance, work that impacts less than 1/10th an acre of wetland, and pipeline installation if the activity results in water conservation. Yet it shows that states can step up their game and bring everyone to the table to fulfill [Justice Alito's prophecy in the majority opinion](#): "States can and will continue to exercise their primary authority to combat water pollution by regulating land and water use." Watch out, because they just might.

Coming Up:

[LDENR Natural Resources Steering Committee Public Hearing; Baton Rouge, LA; June 18, 2024](#)

Water jobs:

[Multiple Positions; Coalition to Restore Coastal Louisiana; New Orleans, LA](#)

[Hazard Mitigation Specialist, Senior; City of New Orleans; New Orleans, LA](#)

[Staff Attorney; Atchafalaya Basinkeeper; Remote w/in LA](#)



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