

AFFORDABLE HOMEOWNERS INSURANCE COMMISSION
Monday, September 12, 2011
6:00 P.M.

Minutes / Action Items

Attendees:

Judge Tim Russell	Gregg Armstrong
Commissioner Julie P. Magee	Representative A.J. McCampbell
Senator Ben Brooks	Representative Joe Faust
Aubury Fuller	Representative David Sessions
Geoff Plott	Joe Ruffer
Sid Belcher	Commissioner Jim Ridling
Michelle Kurtz	K. Carl Smith
Carl Schneider	Gary Ellis
Don Price	Representative Mike Hill
Jerry Workman	Steve Simkins
Joe Demos	Jerry Workman
Tom Malone	Representative Steve McMillan
Elizabeth Huntley	
John Caylor	
Wayne Parker	

Geoff Plott greeted the audience and the Affordable Homeowners Insurance Commission (AHIC). After opening remarks, prayer, and the reciting of the Pledge of Allegiance, Plott informed the audience why the Commission was established. He acknowledged that many Alabamians are facing deductibles that are going up year after year. Plott pointed out that many people have mortgages and their homes may be foreclosed on if they are unable to pay for homeowners insurance. Further, as an insurance agent, he acknowledged that deductibles are going to rise in Tuscaloosa due to the tornado outbreak on April 27th. Plott told the audience that the Commission was there to listen and after listening to the people of Alabama, the Commission would offer possible solutions addressing affordability and availability of homeowners insurance to the Governor.

Robin Edgeworth (Tuscaloosa Forward) was then introduced to address the Commission. She said the Tuscaloosa City Council is modifying zoning and land use requirements, calling for stronger building code provisions, but facing funding challenges. She expressed concern over keeping homes affordable for residents who may purchase under the new building codes and the higher costs of the materials needed to satisfy the new requirements. Edgeworth also conveyed concerns over the enforceability of any new building codes, especially for small, rural towns that lack building code officials.

Following Edgeworth, Plott turned control of the meeting over to Representative McCampbell. McCampbell encouraged those in attendance to speak to the Commission. He cited the Commission's charge of hearing from the public. After no one stepped forward to address the Commission, Representative McCampbell turned the meeting over to Judge Tim Russell, AHIC Chairman. Russell then greeted the crowd and introduced Mr. Harden, Dean of the Business School. Mr. Harden welcomed everyone to the University and acknowledged Dr. Raybul for his involvement in hosting the event. In closing, Harden offered the University as a resource for the Commission. Judge Russell then passed control of the meeting back to Representative McCampbell.

Upon gaining control, Representative McCampbell recognized Senator Gerald Allen and the other elected officials who serve on the Commission. After the elected officials were recognized, the Commission Members introduced themselves. After the Commission Members introduced themselves, a member of

the audience asked to speak. The speaker said she initially had a difficult time finding information about how to get to Mary Hewell Alston Hall and suggested the Commission run ads on the radio or website to increase turnout.

Plott made it known that the event did receive media coverage. The meeting received some radio announcements and coverage on the 2nd page of the “What’s Going On?” section in the Tuscaloosa News. Representative Hill then said that there is no media budget to advertise and all members of the Commission are serving on the Commission under their own expense.

Representative McCampbell then took a brief moment to acknowledge court reporter Michelle Jones. Ms. Jones volunteered her services to the Commission.

After the introduction of Ms. Jones, Representative McCampbell once again asked for participation from the audience. Johnny Chaney from the Hurricane Homeowners Insurance Initiative (HHII) then came forth to address the Commission. He said insurance premiums are too high for many people in the southern part of the state. Mr. Chaney had to drop his coverage and is now at the mercy of the Federal Emergency Management Agency (FEMA) if damage does occur. Chaney then asked Commission Member Kurtz if citizens could submit their thoughts to a website. Kurtz said people can make their concerns known on HHII’s website and questioned Commissioner Magee about the Affordable Homeowners Insurance Commission’s facebook page. Commissioner Magee said people can follow the activity of AHIC through the facebook page and read articles that pertain to issues relevant to the Commission.

Mr. Plott took control of the meeting and asked the panel if there were any further questions that earlier speakers did not have a chance to answer during the first session of the meeting. Ms. Kurtz urged the Commission to clear educational speakers through the agenda committee and further stated that this time was designated for listening to consumers.

Mr. Schneider then asked the two co-chairs, Plott and McCampbell, who are in the insurance industry, what foreseeable issues may arise in the Tuscaloosa insurance market? Mr. Plott responded by saying that claims began soon after communication was established after the tornado outbreak.

Joe Demos, Guntersville Chair, spoke about the upcoming meeting to take place on September 26, at the Guntersville Town Hall. The format will be the same as the previous meetings, depending on the number of people.

John Caylor, chair of the Decatur Forum, announced that October 3rd would be the date of the forum. The registration period will begin at 4:00 and the format will be the same as the previous forums, with public comment for the first two hours beginning at 6:00 and a business meeting the final hour. Senator Brooks objected to the date; alternative dates suggested included Tuesday, September 27, or Monday, October 17. The Commission agreed to October 17.

Judge Russell and other members emphasized the timeline under which the Commission was working and questioned whether proposed legislation could be prepared and finalized for introduction in the 2012 Regular Session, which convenes in February, preempting the need for a special session.

A legislative committee was finalized, including all elected officials on the committee, as well as Insurance Commissioner Jim Ridling and Revenue Commissioner Julie Magee.

Agenda committee members include: Michelle Kurtz, Geoff Plott, Senator Brooks, Wayne Parker, Aubrey Fuller, and Steve Simpkins. The agenda committee announced plans to meet after the forum and follow up with a conference call.

Elizabeth Huntley suggested when the Commission finalizes bills and makes recommendations to the Legislature that they present the information in an easy-to-read and comprehensible format. Huntley suggested the Commission consider preparing a short, informative video and quick-reference bullet point items as possible informational aids. Mr. Ellis agreed to produce the report for the Legislature.

The interstate subcommittee was then given time to address the Commission. Mr. Price, subcommittee chairman, said he has been doing research about what other states are doing in regard to homeowners insurance. Interstate subcommittee members include: Don Price, Chair, Julie Magee, Carl Schneider, Elizabeth Huntley, K. Carl Schneider and Michelle Kurtz.

After no further business, AHIC Chairman Russell adjourned the meeting at 8:30 P.M.