

NEWS RELEASE

## The Travelers Institute Releases Position Paper on the Travelers Coastal Wind Zone Plan

**WASHINGTON, D.C., July 17, 2009** – The Travelers Institute issued a position paper today regarding the Travelers Coastal Wind Zone Plan, a collaborative, comprehensive plan which addresses the crisis of availability and affordability of named storm coastal wind insurance along the Gulf and Atlantic coasts. The report was distributed at the Southeastern Commissioners' Conference "Catastrophe Preparedness & Insurance Forum" in Biloxi, Miss., where Brian MacLean, Travelers President and Chief Operating Officer, outlined the comprehensive set of principles that would provide a private market solution to the coastal insurance crisis.

The position paper states that the crisis of availability and affordability of named storm coastal wind insurance warrants public attention now, particularly given that experts are warning that we have entered into a period of warming ocean temperatures, which may result in an increase in the frequency and severity of catastrophic storms for years to come. Financial vulnerability to violent storms has increased significantly, with currently more than half of all Americans living within 50 miles of the nation's coasts, and the value of coastal properties from Texas to Maine nearing \$9 trillion.<sup>1</sup> Insuring homes along the Atlantic and Gulf coasts is a serious economic challenge for consumers, policymakers and the insurance industry.

"If the crisis is not addressed, finding insurance for wind coverage at affordable prices, if at all, from properly capitalized insurance carriers is likely to become increasingly difficult for coastal homeowners," said Joan Woodward, Travelers Executive Vice President of Public Policy, who heads The Travelers Institute. "The Travelers Coastal Wind Zone Plan is designed to address this crisis."

With input collected during its two year development from members of Congress, other federal, state and local officials, consumer groups, insurance agents and brokers and other insurance industry leaders, the Travelers Coastal Wind Zone Plan proposes a private, market-based system, without federal subsidies for insurers, to address the insurance availability and affordability crisis that coastal consumers face today. The complete Travelers Coastal Wind Zone Plan paper is available at [www.travelersinstitute.org](http://www.travelersinstitute.org).

## **About The Travelers Institute**

The Travelers Institute, created by The Travelers Companies, Inc. (NYSE: TRV), engages in discussion and analysis of public policy topics of importance to the insurance marketplace and the financial services industry. The Institute draws upon the industry expertise of Travelers' senior management and the technical expertise of many of Travelers' underwriters, risk managers and other experts to provide information and analysis to public policy makers and regulators. Travelers is a leading provider of property casualty insurance for auto, home and business. For more information, visit [www.travelers.com](http://www.travelers.com).

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<sup>1</sup> Insurance Information Institute

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