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Thirty Days and Counting

Coastal Residents urged to protect property with Flood Insurance as 2008 Hurricane Season approaches

Jackson –Starting today Mississippi Coastal Residents will begin casting a wary eye on the Gulf of Mexico and marking a countdown on their calendars. Thirty days from now the 2008 Hurricane Season officially begins with forecasters predicting another active season. Commissioner of Insurance Mike Chaney encourages all coastal residents to protect their lives and property by making preparations now. One of the first items on their list of preparations should be flood insurance as it takes 30 days for a flood insurance policy to go into effect.

“As little as two inches of flood water in a home can cause nearly \$8,000 in damage*. Residents should learn their flood risk and take steps before the next storm to protect their home or business from potential flood damage. Remember, standard homeowners insurance does not typically cover flood damage,” said Commissioner of Insurance Mike Chaney.

*(Source: FloodSmart.gov. Dollar amounts are hypothetical, based on varying levels of flood damage to the main floor of a fictional 900-square-foot ranch-style home. Replacement, repair and labor costs will vary by state, home and market timing.)

Flood insurance backed by FEMA’s National Flood Insurance Program provides homeowners, business owners and renters with the best protection available against flooding. Currently, more than 5.4 million people nationwide, and in Mississippi, as of the end of February of this year, 78,624 policyholders, have flood insurance coverage for losses they would otherwise have to pay for themselves. Flood insurance is available through nearly 90 insurance companies in more than 20,400 participating communities nationwide. It is important to remember that it takes 30 days for a flood insurance policy to take effect from the time of purchase, so in order for coastal policyholders to be covered by hurricane season they need to act now.

Commissioner Chaney wants all coastal residents to be aware that flood insurance is not just for homeowners or businesses. Renters and condominium owners can purchase flood insurance policies to cover their contents. Many renters who lost everything during Hurricane Katrina did not have flood insurance.

The average flood insurance policy premium is around \$500 a year and can be purchased by contacting your local agent. In low- to moderate-risk areas, homeowners can protect their properties with lower-cost Preferred Risk Policies (PRPs) that start at just \$112 a year. Individuals can learn more about their flood risk by visiting the MID website at www.mid.state.ms.us or calling 1-800-562-2957. Residents can also visit FloodSmart.gov or call 1-800-427-2419 for more information about flood risk and the benefit of purchasing a flood insurance policy.

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