



## **For Immediate Release**

**April 2, 2015**

### **Chaney Urges Earthquake Coverage Awareness**

Jackson – Last night’s 4.0 earthquake, felt as far south as Memphis and northern Mississippi, was a jolting reminder that Mississippi is vulnerable to earthquakes. Commissioner of Insurance Mike Chaney today urges Mississippians to check their homeowner’s policies for earthquake coverage.

The greatest risk of an earthquake in Mississippi comes from the New Madrid seismic zone. The southern end of the 200 mile long zone is in Arkansas, about 40 miles from the northwest corner of Mississippi.

“The threat of an earthquake striking Mississippi is very real. What many do not realize is that most homeowner’s policies contain an earthquake exclusion clause very much like the flood exclusion many coastal residents encountered following Hurricane Katrina. We don’t want that same confusion should an earthquake hit our state,” said Commissioner Chaney.

The Commissioner urges all homeowners, particularly those closest to the New Madrid seismic zone, to contact their agents and consider purchasing an earthquake endorsement for their policies.

Many experts acknowledge and agree that it is more likely than not that a major earthquake will strike the New Madrid seismic zone within the next 50 years.

According to a 2007 report commissioned by the Federal Emergency Management Agency, if an earthquake with an estimated magnitude of 7.7 were to occur, it would result in over 45,000 buildings in Mississippi sustaining complete to moderate damage. Additionally, it could cause a direct economic loss in the amount of \$9.5 billion.

Mississippi Insurance Department Regulation 2006-2 requires insurance companies to inform homeowners in writing as to the existence of flood and earthquake exclusions in homeowner’s policies. Additional information on preparing for an earthquake can be found on the new “Be Prepared” page of the MID website at [www.mid.ms.gov](http://www.mid.ms.gov).

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