

March 8, 2020

Ladies and Gentlemen of the Committee,

Thank you for looking into a strategy to hold the insurance companies accountable for how they are financing fossil fuels, with SB 345, An Act Requiring the Insurance Commissioner to Study and Report on Issues Concerning Climate Change. SB 345 does not seem to be a heavy-handed approach that the companies should have any good argument to fight. It is merely about transparency.

I believe it is my right, as a citizen who is concerned about my own safety and security for the rest of my years, to know who is continuing to support the growth of fossil fuels. And as I have read into this issue a little bit more, I object to what I'm seeing as a blatant disregard (or even optimism, support?) that the insurance industry seems to hold for the growing number of natural disasters.

The trend toward a hotter climate and much more severe storms is impacting me personally. I moved back to the state a few years ago and found a great job in one of the shoreline towns. I then searched for a home that was close to work. Since it's in a town with a very high cost of living, I couldn't afford to buy a place, so I settled for a reasonably-priced apartment that gave me a nice, short commute.

However, the past couple summers have been exceedingly hot and humid, and the apartment did not have air conditioning. Mold started to grow in the apartment, and so for health reasons, I moved out and I am staying with a family member. My goal is to buy a small home or condo (even though it means a much longer commute), but I am extremely hesitant to do so. I don't know where the safest place to live is. Anything along the shoreline is in danger of flooding and destruction from the next big hurricane or bomb cyclone. Even some high tides are causing streets to flood. Anything inland seems just as vulnerable from a storm with a big rain deluge or severe wind with falling trees and even tornadoes now.

The dilemma about whether I should buy a home or not is so frustrating because I am finally at a point in life that I can do it. Renting is keeping me back financially, and it's depressing because I cannot achieve the American dream and feel some independence. And yet, buying a home doesn't seem like a sound investment in a state that is so vulnerable especially to sea level rise, and so unprepared for the changes that are happening and that will only worsen in the very near future. To top off the issues with the risks from severe storms, I believe we are likely headed for recession or worse problems with the economy, and I also believe insurance prices may go so high that I couldn't afford a homeowners policy.

It is greenhouse gas emissions that are causing the planet to heat up and throw the climate into chaos. In our region, we are most likely to be impacted by how the warming oceans are causing more powerful and frequent storms, in addition to increased moisture in the atmosphere, leading to greater flooding. Since the glaciers are melting (much faster than previously predicted), causing sea level rise, and the land in Connecticut is sinking, the impact of sea level rise and threat of storm surges during big storms is very serious.

In other parts of our nation, there is the now common threat from drought and extreme wildfires, and flooding in the heartland where much of our food is produced.

Despite all these destructive forces that are being made so much worse by the fossil fuel industry, dirty energy keeps going strong because of the people and businesses that invest in it. And yet, the majority of Americans are concerned about climate change and interested in seeing renewable energy grow stronger. Even conservatives who don't think climate change is real are interested in wind and solar energy because it can be so much more cost-effective. (1)

It is time to start holding some of the biggest financiers of dirty energy accountable, because they are holding us all back from transitioning to a cleaner and healthier energy system. The insurance companies, as major financiers of fossil fuel projects, should answer for that.

They may think they're going to keep getting richer off of natural disasters, but that doesn't mean they should be allowed to do so while the rest of society suffers.

Here are some truly alarming facts and figures about what our nation has already suffered, and which should cause anyone to stop and think about why we continue to allow any fossil fuel projects from going forward. The information all comes from the two articles referenced below (2) (3):

Natural disasters have doubled in the last 20 years.

2017 – Natural disasters cost the US economy \$307 billion. There were 16 events that cost over \$1 billion each.

2018 – Hurricanes Michael and Florence cost \$16 billion and \$14 billion respectively, California wildfires cost \$24 billion, with insured losses of \$18 billion. There were 29 events that cost at least \$1 billion each.

Natural disasters cause a whole region to have slow economic growth, often for many years. Infrastructure is destroyed, and many people are forced to relocate somewhere else when they can't rebuild their homes. Productivity suffers, partially due to post-traumatic stress disorders in 30-60% of disaster survivors.

Other extreme disasters, that have cost U.S. taxpayers and insurance companies billions of dollars:

2005 – Hurricane Katrina: \$125 billion losses, \$80 billion insured. Total economic impact \$250 billion.

2008 – Hurricane Ike: \$30 billion.

2011 – Mississippi River flood: \$2 billion.

2012 – Hurricane Sandy: \$65 billion. 650,000 homes damaged or destroyed, 8 million lost power. 159 people killed.

2017 – Hurricane Harvey: \$125 billion. 13 million people in 5 states impacted (TX, LA, MI, TN, KE). 88 people killed.

2017 – Hurricane Maria: \$90 billion. 3.5 million people impacted in Puerto Rico. 2,975 people killed.

2017 – Hurricane Irma: \$50 billion. (Could have been \$300 billion if it had hit Miami.)

2018 – Camp Fire in Northern CA: \$16.5 billion. At least 85 people killed.

Sometimes a picture says it best. This is what I envision every time I drive along the coastal neighborhoods of Connecticut.



Billy Stinson (L) comforts his wife Sandra Stinson (C) and daughter Erin Stinson as they sit on the steps where their cottage once stood before it was destroyed by Hurricane Irene August 28, 2011 in Nags Head, North Carolina. Photo by Scott Olson/Getty Images

SB 345 gives Connecticut a chance to send a very strong signal to the insurance industry in Connecticut and the rest of the world. We are watching them, and we don't like what we see. Everyone else needs to see it too. I respectfully ask for your support of this bill.

Thank you for your consideration of my testimony.

Sincerely,

Sandy Henschel

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- (1) Funk, Cary and Meg Hefferon. "U.S. Public Views on Climate and Energy." Pew Research Center, 25 November 2019, <https://www.pewresearch.org/science/2019/11/25/u-s-public-views-on-climate-and-energy/>
- (2) Amadeo, Kimberly. "Natural Disasters' Economic Impact: Natural Disasters are a Bigger Threat than Terrorism." The Balance, Updated 20 November 2019, <https://www.thebalance.com/cost-of-natural-disasters-3306214>
- (3) Amadeo, Kimberly. "How Hurricanes Damage the Economy." The Balance, Updated 25 June 2019, <https://www.thebalance.com/hurricane-damage-economic-costs-4150369>