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Many coastal states have been in crisis ever since Hurricane Katrina battered Louisiana and Mississippi. Insurance companies in Florida cancelled hundreds of thousands of homeowner insurance policies, and drastically raised rates on the rest. This was a disaster of its own, because homeowners could no longer afford to stay in their homes. Floridians were losing faith in the federal government, because of inaction in Washington.

It was clear that the federal government had to act, because the states and private insurers were simply unable to prepare for a catastrophe of the magnitude of Katrina. A major part of any solution to the crisis would be the creation of a federal catastrophe fund.

Upon arriving in Congress this year, Gus co-sponsored a bill filed by his Florida colleague, Ginnie Brown-Waite that would implement the much needed federal catastrophe fund. However, there was resistance from leadership to implementing this program. Gus and other Congressman continued to pursue passage of this important legislation.

In the meantime, Gus introduced two of his own bills to help with the crisis. One bill would strongly encourage homeowners to hurricane proof their homes by providing a tax credit for the costs of specific home modifications. The second bill Gus introduced would authorize the Gulf Coast states to enter into an interstate compact to pool their resources and spread the risk of a disaster.

On November 8, 2007, the House leadership finally gave in to the pressure applied by Gus and other Congressman when the House passed H.R. 3355, the Homeowner's Defense Act. This important legislation authorizes loans to states in the event of a catastrophe that will have to be re-paid to the Treasury. This is a fiscally sound approach to disaster planning. Further, the bill would implement the critically needed federal catastrophe fund that will provide assistance to victims in the event of a 1 in 200 year catastrophic event.

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