

MPE Services, Inc., President Eddie F. Washington recently met with representatives from the Mississippi Emergency Management Agency to discuss a proposed federal rule change requiring insurance on public buildings prior to becoming eligible for federal disaster assistance.

MEMA Executive Director Robert Latham, Public Assistance Officer Larry Bowman and Public Relations Director Clif Lusk met with Washington to learn more about how counties insure their buildings and equipment. The proposed rule, currently under a public comment period, would only provide disaster assistance to state and local governments if their buildings were covered with adequate insurance policies.

Current Federal Emergency Management Agency regulations under the Robert T. Stafford Disaster Assistance Act provide disaster assistance to state and local jurisdictions regardless of whether damaged buildings and equipment are insured.

The proposed changes are designed around three initiatives:

Affordability - specifically setting maximum premium levels and maximum coverage amounts

Availability - FEMA specifically will assure coverage is available from private insurers, self-insured firms or a combination of both

Private Sector - FEMA will not become an insurance provider after this rule change

If approved, the rule would be phased in over the next 36 months.

Lusk added that the Stafford Act is aimed at providing disaster assistance to those in need, but also requires a degree of self-accountability. Local governments are encouraged to protect themselves and their taxpayers by obtaining insurance coverage.

"Disaster assistance isn't aimed at providing states and local governments a free insurance policy," he said. "Rather, it's meant to address otherwise unmet needs."

As the cost of recovery from disasters continue to rise, the federal government is looking at ways to limit taxpayer costs. In most cases, those measures are aimed at adequate insurance, utilizing better building practices and the uniform enforcement of building codes and standards. MEMA expects to see similar rule changes come to pass in the future.

"This is the first step in the formal regulatory process for FEMA," Washington said. "It appears, they will, upon passage, require counties to have property insurance at its true value in order to receive federal disaster funds."

OK with the coverage blocks

Ck spelling "Office of the General Counsel"