

Congress of the United States
Washington, DC 20515

December 7, 2007

The Honorable Harry Reid
Majority Leader
United States Senate
S-221 Capitol Building
Washington, DC 20510

Dear Majority Leader Reid:

We are writing today in strong support of the Homeowners' Defense Act (H.R. 3355), and request that you schedule a vote in the Senate on this legislation as soon as possible. As supporters of the House version of the Homeowners' Defense Act, which passed the House by a vote of 258-155, we believe it is important to have this measure in place before the next disaster strikes.

The homeowners' insurance crisis is not unique to one state or region. Up and down the Eastern Seaboard policyholders are receiving non-renewal letters and notices of increased premiums. Likewise, the lack of affordable and adequate earthquake insurance in California has left many homeowners under-insured, and American taxpayers exposed to billions of dollars in liability.

Today, the federal government's disaster response policy is the "bailout" that exposes every American taxpayer to unlimited liability regardless of where they live. In the aftermath of Hurricane Katrina, taxpayers spent more than \$110 billion to rebuild the Gulf Coast with no hope of being repaid. **That means that taxpayers in your home State of Nevada spent a total of \$911 million which will not be paid back.**

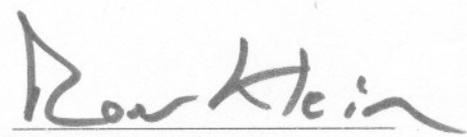
The Homeowners Defense Act expands the private market and lowers homeowner premiums by working with states on a voluntary basis to find ways to pool risk so that the catastrophe bond market can be expanded and priced more competitively. The bill recognizes that no one got into the homeowners insurance business to underwrite a catastrophe, whether it is an "act of war" or an "act of nature." The market's instability is due to projected losses being larger than the industry's ability to pay. Finally, this bill is a financially responsible approach that will end the policy of "bailout," while allowing for states to responsibly plan for disasters ahead of time.

Again, we ask that you quickly schedule a vote on the Homeowners' Defense Act. Thank you for your attention to this matter.

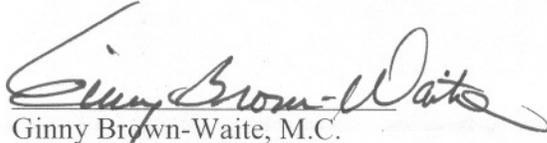
Sincerely,

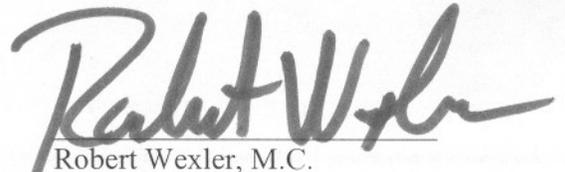


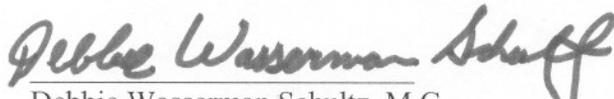
Tim Mahoney, M.C.

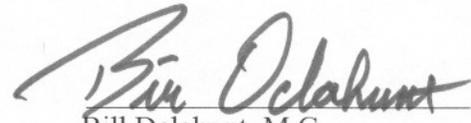


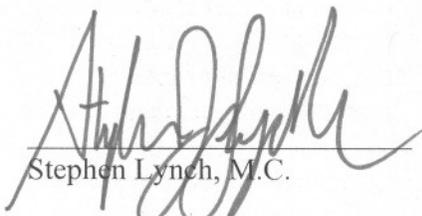
Ron Klein, M.C.


Ginny Brown-Waite, M.C.

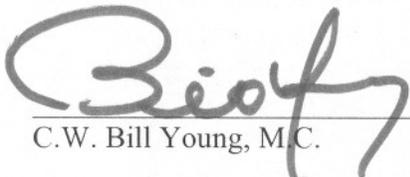

Robert Wexler, M.C.

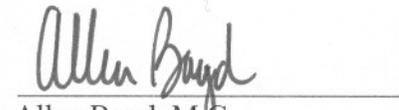

Debbie Wasserman Schultz, M.C.


Bill Delahunt, M.C.


Stephen Lynch, M.C.


Alcee L. Hastings, M.C.

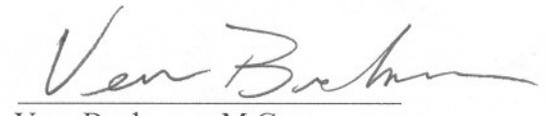

C.W. Bill Young, M.C.

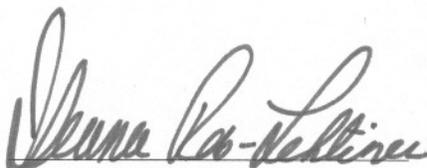

Allen Boyd, M.C.

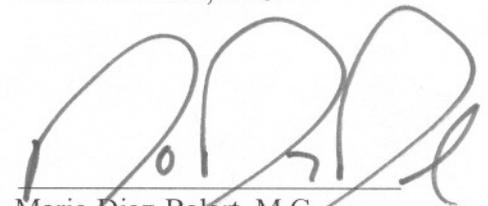

Charlie Melancon, M.C.


Gus Bilirakis, M.C.

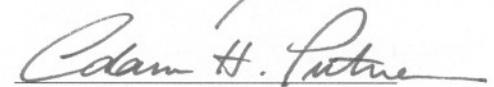

Lincoln Diaz-Balart, M.C.


Vern Buchanan, M.C.


Ileana Ros-Lehtinen, M.C.


Mario Diaz-Balart, M.C.

cc: The Honorable Nancy Pelosi
The Honorable Chris Dodd
The Honorable Hillary Clinton
The Honorable Bill Nelson


Adam Putnam, M.C.