

Macro Roundup Article

Headline: [Red States Will Suffer From Homeowners' Insurance Woes](#)

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Summary: Overall effective rate changes in the US were 34% between 2018 and 2023. But in Florida and Texas, the growth has been 43% and 60%, respectively, according to data compiled by S&P. In Louisiana, homeowners' insurance premiums accounted for 5% of per capita disposable income, according to data compiled by Moody's, the largest hit in America. Texas has insurers of last resort called the Texas Windstorm Insurance Association as well as the Texas Fair Plan. Florida's state backstop plans are called the Citizens Property Insurance Corporation and the Florida Hurricane Catastrophe Fund. Moody's estimates that the loss exposure of these two now accounts for 1% of the Sunshine State's total economic output. The state of Florida does not explicitly guarantee these entities but rating agencies think Florida will stand behind them and they are therefore counted as contingent liabilities.

Related Articles: [Home Insurance Premiums Are Surging—and States Are Allowing It and Measuring the Climate Risk Exposure of Insurers and As Texas Burns, Property Insurance Costs Soar](#)

Primary Topic: Financial Markets

Topics: Financial Markets, GDP, Housing, News article, Politics

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