

Testimony of  
Ms. Deborah Wood  
Florida Resident

Before the  
Senate Committee on the Budget  
June 5, 2024

“Riskier Business: How Climate is Already Challenging Insurance Markets”

My name is Deborah Wood. My husband Dan McGrath and I moved from New Jersey to South Florida in 1979. We lived in Broward County for 43 years until we sold our home in January 2023, in part because our home insurance was becoming unaffordable.

My husband and I are retired, he was a public school teacher of special needs children, and I was a journalist. Dan and I raised our two daughters in Florida, and all four of us have earned degrees from Florida public universities.

In 1994 we moved to the city of Plantation, about 10 miles inland from the east coast. Home insurance rates were reasonable in those early years, and when we had to replace our roof in 2008 after a storm, the claims process was very smooth. Our policy renewed each October, with manageable rate increases. That changed in recent years. In 2017 we paid \$3700 for insurance, and in subsequent years the rates increased significantly, so that our proposed renewal for 2023 was more than \$8000.

Our problems with insurance began in 2017. Sometime before my husband and I left on a trip, a man showed up unannounced, saying he was from my insurance company and wanted to take a look at the property. As he had no identification, I declined him access. I left the company a voicemail and forgot about it until a few weeks later, when I received a notice that our policy would not be renewed because I had refused an inspection.

I contacted them immediately, said there was a misunderstanding, and asked them to send another inspector. They did, I didn't hear anything more, and naively thought we no longer had a problem. I was wrong.

In early September, my husband and I were at Grand Canyon National Park when we caught the news of Hurricane Irma's pending assault on Florida. I knew we'd be covered for the storm, but I wanted reassurance that my policy was on track to be renewed in October, so I called the company.

I will never forget that phone conversation. Essentially, I was told that we still would not be renewed but now the reason was because my roof had failed inspection. I asked why did you not tell me this and the answer was because we don't have to. I asked for the

roofing report and was told "No," that the report was the property of the insurance company. So this company that I had done business with for at least 20 years was not only dropping us, but was allowing us to ride out a potentially catastrophic storm with what they had determined was a defective roof, without even warning us.

Fortunately, we only incurred minor damage from Irma. But we had to scramble to find a new insurance company in a matter of weeks in a state that had sustained major damage.

Our roof passed the new company's inspection with no problems, even after Irma. But unfortunately, their rates were higher, and kept increasing even as we had no new claims, reduced our coverage, and replaced our windows and doors with hurricane proof glass, at a cost to us of about \$40,000.

My husband and I never intended to move, we loved our community, our neighbors, and our friends. Our home in South Florida was the regular gathering place for extended family, we truly enjoyed hosting visitors. But in 2022, we began having discussions as to whether South Florida was still the best place for us to be. There were family concerns, the weather events were more frequent and maintaining our home was becoming expensive. The insurance quote for 2023 gave us the push to put the house on the market.

We intended to buy another home in Tallahassee, FL. We put our belongings in storage, and "temporarily" moved in with our daughter and son-in-law while we looked for a new house.

Flash forward to 2024. We reluctantly have made the decision that we will not be buying a home in Florida. We've learned there's no escaping the insurance problems, and weather disasters are becoming more and more prevalent, even in previously "safe" areas, like Tallahassee. We haven't decided what our next step will be. But at this stage of our lives, we are not willing to risk our financial well-being by buying a home that one day may become uninsurable or craters in value in a housing market crash fueled by the homeowners insurance crisis.