

SENATE JOINT RESOLUTION NO. 41
IN THE LEGISLATURE OF THE STATE OF ALASKA
EIGHTEENTH LEGISLATURE - SECOND SESSION

BY SENATOR ELLIS

Introduced: 1/26/94
Referred: L&C, JUD, FIN

A RESOLUTION

1 **Relating to establishment of a federal earthquake hazard reduction and insurance**
2 **program.**

3 **BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

4 **WHEREAS** the United States Congress and the United States Geological Service have
5 determined that portions of all 50 states are vulnerable to the hazards of earthquakes; and

6 **WHEREAS** potential earthquakes are a national risk that requires a national solution;
7 and

8 **WHEREAS** the probable maximum loss of an earthquake measuring 8.0 or larger on
9 the Richter scale is estimated at \$50,000,000,000 to \$60,000,000,000, including claims for
10 workers' compensation, business and property losses, and personal injuries; and

11 **WHEREAS** each year in this state there are approximately 1,000 earthquakes that
12 measure more than 3.5 on the Richter scale; and

13 **WHEREAS**, of the 10 strongest earthquakes ever recorded in the world, two have
14 occurred in this state, one of which was the devastating Good Friday earthquake in 1964; and

15 **WHEREAS** the present system of insuring against earthquakes is unacceptable to both
16 the insurance industry and to policyholders in that insurance coverage is either unaffordable

1 or unavailable; and

2 **WHEREAS** the earthquake that occurred on October 17, 1989, in northern California
3 caused 66 deaths and an estimated \$5,000,000,000 in damages; and

4 **WHEREAS**, on January 17, 1994, a devastating earthquake struck the Los Angeles
5 area killing over 50 people, injuring thousands, and causing an estimated \$30,000,000,000 in
6 property damage; and

7 **WHEREAS** the California earthquakes demonstrate the inadequacy of the existing
8 system of state and federal earthquake relief funding; and

9 **WHEREAS** a prepaid insurance fund built up from premiums collected from
10 homeowners throughout the nation should save the federal government money by reducing the
11 need for disaster relief; and

12 **WHEREAS** a federal earthquake insurance program would protect our nation's
13 economic health as well as home and business owners throughout the nation; and

14 **WHEREAS** S. 1350, cosponsored by the Honorable Ted Stevens and the Honorable
15 Frank Murkowski, and H.R. 2873, cosponsored by the Honorable Don Young, are pending in
16 the Congress and would establish a universal program for earthquake insurance coverage
17 known as the Federal Earthquake Hazard Reduction and Insurance Program, that a state may
18 participate in if the state chooses to do so; and

19 **WHEREAS** federal earthquake insurance would provide affordable, reliable, and
20 adequate coverage against the risk of earthquakes;

21 **BE IT RESOLVED** by the Alaska State Legislature that the Congress is respectfully
22 requested to enact S. 1350 or H.R. 2873 to create a federal earthquake insurance program.

23 **COPIES** of this resolution shall be sent to the Honorable Al Gore, Vice-President of
24 the United States and President of the U.S. Senate; the Honorable Thomas S. Foley, Speaker
25 of the U.S. House of Representatives; the Honorable Daniel Inouye, U.S. Senator from
26 Hawaii; the Honorable Norman Maneta, U.S. Representative from California; and to the
27 Honorable Ted Stevens and the Honorable Frank Murkowski, U.S. Senators, and the
28 Honorable Don Young, U.S. Representative, members of the Alaska delegation in Congress.