



Date:	February 6, 2023
To:	Maryland House Environment and Transportation Committee
From:	WTW (Willis Towers Watson)
Subject:	HB147- Environment- Climate Crisis Plan- Requirement
Position:	FWA

We are WTW and last year we completed a definition and assessment of the consequential risks that Florida faces for their House of Representatives. Climate and weather-related risks were a key part of this assessment.

Our output was recommendations on the investments to protect the state prioritized according to their efficiency and impact. The recommendations provide a way forward for the state that has the potential to save its citizens billions of dollars in damages and in mitigation investment costs in the coming decade.

As you consider HB 147, we wanted to make you aware of this work.

For your consideration, we would assert that every county can and should approach setting priorities for protection against climate-related risks in the same way:

1. Using a quantitative, data-driven approach that prioritizes expenditures according to their return on investment
2. Evaluating climate risks over 10-, 20- and 30-year periods
3. Reporting back to Annapolis using a consistent format and methodology so the State can set state-wide priorities with confidence

On the following pages, we've included an overview of the work completed for the State of Florida. To learn more about the work we completed or for details on our capabilities, please refer to the below resources.

Resources
Florida Report
WTW Presentation to Florida House Pandemics and Public Emergencies Committee <i>(Beginning at Min. 34)</i>
WTW's Portfolio Approach to Risk

Sincerely,
Phillip A. Ellis, Managing Director

Erin Boulware, Director



Strengthening Florida's Resilience to Major Risks

In 2021 and 2022, WTW worked with the Florida House of Representatives to develop a state-wide risk mitigation strategy.

This state-wide risk mitigation strategy helped the state to:

Utilize one consistent framework. A risk strategy in a single language and framework allowed the State to compare investment options and make holistic decisions across traditionally siloed departments and agencies.

Enable transparency. Our work fostered transparency across State agencies and departments, as well as for the public.

Break away from the political cycle. Analyzing risk through the lens of an extended time horizon provided perspective that looked beyond the crises of the day and the political cycle, toward more strategic risk mitigation investments.

Invest in efficient resilience. By evaluating risks in portfolio, the State could understand its total risk profile and identify the risk mitigation actions that deliver the most “bang for its buck” or maximize risk reduction for spend.

The legislature was presented with risk mitigation actions that efficiently reduce the state's overall risk.

Our team of actuaries, statisticians and risk consultants helped to:



Define what is most important to Florida and its mission



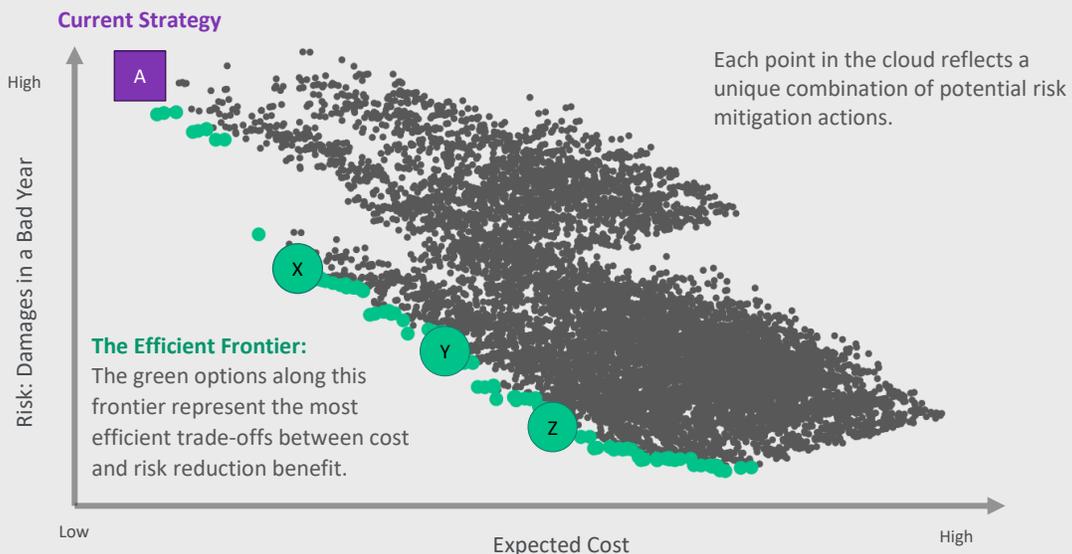
Identify and prioritize Florida's most significant risks:



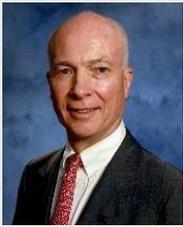
Quantify priority risks in terms of impact and probability, and evaluate potential risk mitigation options in terms of cost and risk reduction



Evaluate risk mitigation options in portfolio and highlight strategies that efficiently protect the State's priorities



Outline a plan to support ongoing evaluation and efficiency



Phillip A. Ellis

Managing Director, Risk & Analytics

Relevant Experience/Specialization

Phil has more than thirty years of experience advising some of the world's largest and most complex organizations on issues of strategy, risk, and organizational development. Phil founded WTW's Strategic Risk Consulting business and now leads client development globally for WTW's Risk & Analytics division. He leads the expansion of our Connected Risk Intelligence platform globally. He is based in New York City.

Phil has extensive experience in the public sector. For example, he led the definition and assessment of risks facing the state of Florida for their House of Representatives. He developed global investment strategies for European groups as they privatized and expanded from their home bases.

Phil joined WTW in London in 2006. Prior to joining WTW he led a global practice and major client relationships for the Boston Consulting Group, and prior to that, for Booz Allen and Hamilton, where he also was a member of the Board of Directors and head of the Audit Committee.

Education and Credentials

Phil holds degrees in finance and applied economics from MIT Sloan (M.S. Management), in Science, Technology and Public Policy from the George Washington University (M.A.), and in Atmospheric Sciences from the University of California, Davis (B.S.). He has been published in the Financial Times and The Economist and speaks widely on risk topics around the world.



Erin Boulware

Director, Risk & Analytics
Head of Central/Western US Client Development

Relevant Experience/Specialization

Erin is part of a global leadership team focused on client development across the spectrum of businesses and capabilities that make up WTW's Risk & Analytics group. Erin focuses on strategic growth initiatives, cross-practice synergies, new product development and distribution, and the advancement of risk analytics governance models.

Erin is also a consultant, leveraging WTW's comprehensive array of risk finance analytical offerings to empower clients to make optimal, empirically based decisions.

Erin is based in Denver, CO.

Over the course of her career, Erin has worked with clients across North America in a wide variety of industries. She has significant experience in managing alternative risk financing programs, including such elements as loss modelling, premium development, portfolio management, TPA oversight, coverage analysis, compliance requirements, credit risk management and contract negotiation.

Prior to joining WTW in 2016, Erin spent 13 years as an underwriting officer in the captive group at Travelers Insurance.

Education and Credentials

Erin earned her BA from Hamilton College with a double concentration in Economics and Government. She graduated Magna Cum Laude, with Honors in Government.