

U.S. Sets Record for Billion-dollar Weather and Climate Disasters in 2023

The National Oceanic and Atmospheric Administration (NOAA) recently announced that the United States has already seen a record number of billion-dollar weather and climate disasters in 2023. The 23 events mark the most disasters of that magnitude on record for a calendar year. The previous record was set in 2020, which saw 22 billion-dollar weather and climate events.

The total cost of the 23 disasters in 2023 exceeds \$57.6 billion, according to NOAA.

In 2023, the billion-dollar disasters comprised 18 severe storms, two floods, one tropical storm cyclone, one winter storm and one wildfire. In addition to the monetary losses, these events resulted in 253 direct and indirect fatalities.

NOAA confirmed eight of these disasters in August, including:

1. Hurricane Idalia
2. The Hawaii firestorm
3. The August hailstorms in Minnesota
4. The Eastern and Northeastern severe storms in early August

5. The severe storms in Nebraska, Missouri, Illinois, Indiana and Wisconsin in late July
6. The mid-July Northeast and Pennsylvania flooding
7. The mid-July hail and severe storms in Michigan, Wisconsin, Ohio, Tennessee and Georgia
8. The severe storms in Missouri, Illinois and Indiana in June

With a few months remaining in 2023, the record number of billion-dollar disasters could continue to increase. NOAA is still calculating the costs of the recent Tropical Storm Hilary that hit California and other areas in the West as well as the drought affecting the South and Midwest.

Since 1980, the United States has sustained 371 separate weather and climate disasters where the overall costs and damages eclipsed \$1 billion (including the consumer price index adjustment to 2023). According to NOAA, the total expenses of these events surpass \$2.615 trillion.

NOAA noted that the number of disasters and their costs have increased over time. It attributes these increases to a number of factors, including climate change, where and how property is built, and the value of the structures being built.

Contact us today for more information on how these disasters impact your business and your insurance programs or to review your insurance policies.