National Flood Insurance Program (NFIP)
National Flood Insurance Act

- Lower federal disaster relief expenditures
- Communicate risk
- Improve disaster response
- Get local governments to manage flood-prone areas to decrease flood damages
- ...and provide insurance assistance
FEMA cannot refuse coverage – for individuals or for a given area
Cannot drop repetitive claims policyholders
Considers risk AND timing
Plans for average expected losses, not catastrophic losses
Until recently, relies solely on the Treasury for reinsurance
Has caps (and minimums) for price increases
No in-house agents
NC asks for $900M in flood relief, feds give $6.1M, Cooper says

Severe flooding hits southwestern Wisconsin

Roads Completely Destroyed In Southern Colorado Flooding

May 11, 2017 10:53 PM

MAY 2017: FLOODING PROMPTS STATE OF EMERGENCY Why Lake Ontario levels are like a slow-motion car crash

2017
NFIP...50 years

2016: 3\textsuperscript{rd} highest payout year

\~$26 B in debt
Not High Enough

Flood insurance subsidies waste taxpayers’ billions

U.S. Flood Insurance Puts Taxpayers in the Hurricane’s Eye

Taxpayers underwriting risky development

Program drowning in debt

FEMA unable to stem flood insurance red ink

Flood-prone structures tax insurance program
Three million U.S. homes and buildings in flood-prone areas are insured through the National Flood Insurance Program. Approximately 50,000 (1 percent) are so close to water that they flood repeatedly.
Too High

Rallies to protest flood insurance hikes

Plain wrong
Flood map mistake costs homeowners in insurance premiums

Millions are facing higher premiums for flood insurance
Increases of up to 18% to aid national program’s solvency

Flood insurance rate hike could affect home sales
• H.R. 879, Flood Insurance Integrity Act
• H.R. 1401, Flood Insurance Fairness Act
• H.R. 1422, Flood Insurance Market Parity & Modernization Act
• H.R. 1423, National Flood Insurance Program Reauthorization & Improvement Act
• H.R. 1558, Repeatedly Flooded Communities Preparation Act
• H.R. 1929, Empowering Homeowners to Mitigate Flood Damage Act
• H.R. 2170, Flood & Agriculture Risk Management Cost Reduction Act
• H.R. 2246, Taxpayer Exposure Mitigation Act
• H.R. 2565, untitled amendments to NFIP
• H.R. 2874, 21st Century Flood Reform Act
• H.R. 2875, National Flood Insurance Program Administrative Reform Act
• H.R. 2877, PARIS Act
• H.R. 3135, Community Flood Insurance Savings Act
• H.R. 3285, Sustainable, Affordable, Fair, & Efficient (SAFE) National Flood Insurance Program Reauthorization Act
• H.R. 2868, National Flood Insurance Program Policyholder Protection Act
• H.R. 879, Flood Insurance Integrity Act
• H.R. 1401, Flood Insurance Fairness Act
• H.R. 1422, Flood Insurance Market Parity & Modernization Act
• H.R. 1423, National Flood Insurance Program Reauthorization & Improvement Act
• H.R. 1558, Repeatedly Flooded Communities Preparation Act
• H.R. 1929, Empowering Homeowners to Mitigate Flood Damage Act
• H.R. 2170, Flood & Agriculture Risk Management Cost Reduction Act
• H.R. 2246, Taxpayer Exposure Mitigation Act
• H.R. 2565, untitled amendments to NFIP
• H.R. 2874, 21st Century Flood Reform Act
• H.R. 2875, National Flood Insurance Program Administrative Reform Act
• H.R. 2877, PARIS Act
• H.R. 3135, Community Flood Insurance Savings Act
• H.R. 3285, Sustainable, Affordable, Fair, & Efficient (SAFE) National Flood Insurance Program Reauthorization Act
• H.R. 2868, National Flood Insurance Program Policyholder Protection Act
S. 563, Flood Insurance Market Parity & Modernization Act

S. 1313, Flood Insurance Affordability & Sustainability Act

S. 1368, Sustainable, Affordable, Fair, & Efficient (SAFE) National Flood Insurance Program Reauthorization Act

S. 1445, Repeatedly Flooded Communities Preparation Act

S. 1507, State Flood Mitigation Revolving Fund Act

S. 1571, Untitled bill to reauthorize the National Flood Insurance Program, and for other purposes
Rates
Private insurance
Repeat flooding
Disclosure
Mitigation
Flood maps
Claims management
Rates

Private insurance
Repeat flooding
Disclosure
Mitigation
Flood maps
Claims management
H.R. 1558 – Royce/Blumenauer
S. 1445 – Scott/Schatz
Disclosure
On average, $1 spent on HAZARD MITIGATION provides the NATION approximately $4 IN FUTURE BENEFITS.
Rates
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Repeat Flooding
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Mitigation lä
Flood maps
Claims management
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