



coalition for sustainable
flood insurance

National Flood Insurance Program

Buddy Boe, CAO – St. Charles Parish



The National Flood Insurance Program

- The National Flood Insurance Program (NFIP) was created by Congress in 1968
- NFIP enables property owners to purchase insurance from the government against losses from flooding
- Flooding is both coastal and riverine
- Private industry will not provide this insurance
- Close to 6 million homes participate in NFIP, with the majority in Texas and Florida



NFIP – What We Knew

- Homeowners insurance does NOT cover flood damage.
- If you have a federally backed mortgage, you are required to have flood insurance.
- Buys Flood Insurance – its cheap

What is the Biggert-Waters Act?

- On July 6, 2012, the President signed into law the Surface Transportation Bill (H.R. 4348), which re-authorizes the National Flood Insurance Program (NFIP) through 2017.
- Extends NFIP for 5 years
- Include living expenses and business interruption
- Boards and Studies and Grants
- Reimbursements for successful challenges
- Actuarial Rates
- Eliminates of “grandfathered” and “subsidized” rates
- Repayment of 27.45 Billion in 10 years

Example #1 – Primary Residence

Premium will go from **\$633** to **\$17,723** per year.

- 14272 Highway 23,
Belle Chasse, LA
- \$350,000 current value
- Built in 1998, fully to code
- Built 2' *above* FEMA required elevation at the time
- House never flooded
- New BFE = -6'



St Charles Parish Townhall – April 2013



Keys presented in protest



TIMELINE

In only 12 months...

- **FEMA Townhall** **March 2013**
- **St Charles Townhall** **April 2013**
- **SouthLA DC Vist** **May 2013**
- **Coalition Formed** **June 2013**
- **NACo Endorses Effort** **July 2013**
- **David Miller Visit** **August 2013**
- **LAMP Kick-Off** **August 2013**
- **Official Rates Released** **October 2013**
- **Cassidy Amendment** **January 2014**
- **HFIAA – Senate (delay)** **February 2014**
- **HFIAA – House** **March 2014**
- **HFIAA – Senate** **March 2014**
- **HFIAA – sign by POTUS** **March 2014**

CSFI Results

Passage of H.R. 3370

Homeowner Flood Insurance Affordability Act

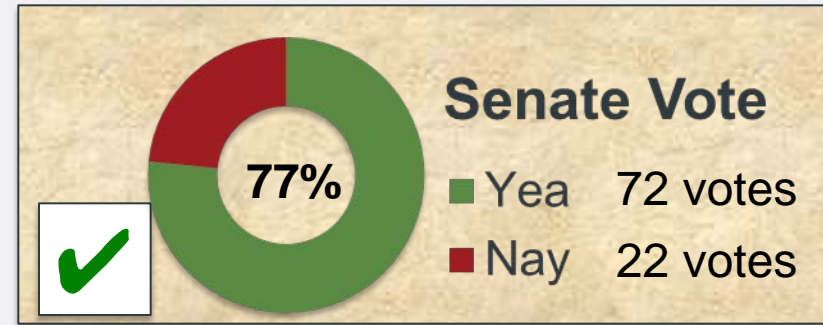


Result: Bipartisan, Bicameral Action for LA and USA



USA TODAY
A GANNETT COMPANY
March 13, 2014

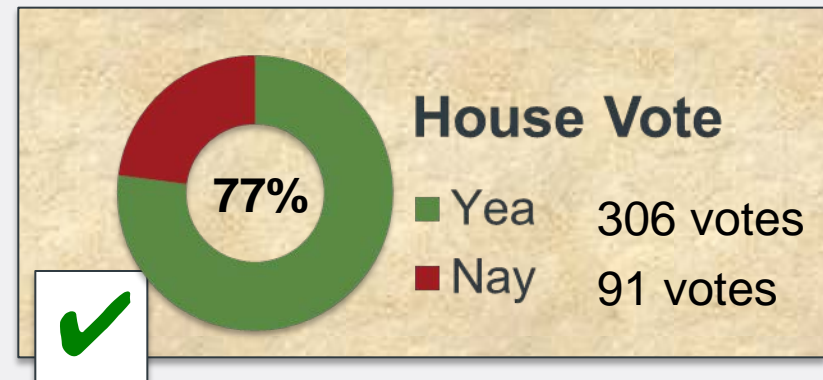
Flood insurance bill clears Congress



THE WALL STREET JOURNAL. ≡ U.S.

POLITICS AND POLICY

House Votes to Scale Back Flood-Insurance Rate Increases



The Homeowner Flood Insurance Affordability Act

What the Bill Does:

- Reinstates Grandfathering; Complete
- Refunds certain policyholders who paid higher rates, beginning 10/1; Underway
- Allow for higher deductibles, lower premiums; Effective 4/15

The Homeowner Flood Insurance Affordability Act

What the Bill Does:

- Requires for FEMA to strive for 1% of policy cost limit (and report); Underway
- Removes the Property Sales Trigger; Complete
- Caps Annual Premium Increases at 15% (average) with a Max of 18%; Effective 4/1/15

The Homeowner Flood Insurance Affordability Act

What the Bill Does:

- Reimburses Policy Holders for Successful Map Appeals; Underway
- Allows for \$25 Annual Surcharge; Effective 4/1/15
- Includes Minimum 5% Increase on Pre-FIRM properties; Effective 4/1/15

HFIAA – Apparent Rates

X Zone being re-mapped to SFHA

maximum coverage \$250,000 Building/\$100,000 Contents

YEAR	BW12	HFIAA-2014
0	414.00	414.00
1	5,120.40	513.52
2	9,826.80	601.45
3	14,533.20	705.21
4	19,239.60	827.65
5	23,946.00	972.13
6		1,142.61
7		1,343.78
8		1,581.16
9		1,861.27
10		1,983.00

MAPPING CHANGES

- Mapping Process
- Non-Structural must be mapped
- Flood mitigation/proofing discounts
- New Formulae for Credit for Flood Systems
- Disaccredited Systems Reaccreditation changed
- Detached Structures
- Map Appeal Reimbursement for Communities

- LAMP Discussion

Implementation Issues

- If homeowners or communities are facing issues in the following areas, please contact Caitlin Berni at cberni@gnoinc.org:
- Any annual increase over 18%
- Any policy over \$2500
- Any mapping issues

CSFI Next Steps



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- Ensuring Successful Implementation and Reauthorization
- Formalization into 501(c)(6) w/ National Board and Advisory Council
- Continued Dialogue with FEMA and Congress on Implementation
- Proposal of Long-Term Options for Affordable Flood Insurance

RATES

- 2ND Homes, Businesses
- 1% Cap on Premiums
- WYO Commission (currently between 30-40%)
 - -include FEMA overhead
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 -
 -

MAPPING

- Non-certifiable levees (ie LAMP)
- Community Involvement
-
-
-
- use GIS data if available (since LIDR has big variance)
- encourage residents to get elevation certs
- ensure ALL homes in flood areas have insurance

Helpful Resources

- For more information on how rate increases will take effect for pre-FIRM properties, who is eligible for refunds and how refunds are being distributed visit:
- www.csfi.info
- www.fema.gov/national-flood-insurance-program