National Flood Insurance Program

Update – FEMA Roundtable

August 15, 2013
A Growing Coalition

GNO, Inc. is leading a growing national coalition to address the NFIP challenge – the Coalition for Sustainable Flood Insurance (CSFI)

- 23 Parishes
- 16 States (+6 in process)
- Associations:
  - LA Bankers
  - LA Realtors
  - LA Homebuilders
  - LA Chamber Executives
  - National Waterways Conference
  - National Levee Issues Alliance
The Coalition for Sustainable Flood Insurance has identified three major problems:

1. Phase-Out of Grandfathering
2. Incomplete Mapping
3. Questionable Calculations
Challenge #2
Incomplete Mapping

New FEMA maps, which outline new base flood elevations, do not recognize protection offered by non Corps certified levees. As part of GNO, Inc.’s Action Plan, we invited David Miller, head of the NFIP, to South Louisiana to visit our flood protection features.
On August 8, GNO, Inc. hosted a roundtable with David Miller, Associate Administrator for FEMA, the Louisiana Congressional Delegation, and state, local and business leaders.
As a result of the roundtable, GNO, Inc. was charged with producing a report to get to the bottom of several unanswered questions.
How is the $25B NFIP deficit calculated?

Over the last 30 years, $6B more in premiums have been collected than have been paid out.

What accounts for the $31B negative swing?
What portion of premiums actually goes towards coverage?
What additional programs beyond flood insurance are funded by NFIP premiums?
How many policy-holders will be affected by drastic (>500%) premium increases?
When will actuarial table rates be released to the public?
Was any money swept from FEMA accounts by the federal government in years of surpluses, and if so, how much?
40% of federally backed mortgages that are required to have flood insurance do not. Why is this not enforced?

Would the program be solvent if everyone who is required to purchase flood insurance actually purchased it?
An Important Question

Until these basic questions about the structure and management of NFIP are answered, should innocent, tax-paying Americans be destroyed to support the program?