

## United States Senate

WASHINGTON, DC 20510-4305

September 7, 2021

The Honorable Deanne Criswell  
Administrator  
Federal Emergency Management Agency  
500 C Street, Southwest  
Washington, D.C. 20472

Dear Administrator Criswell:

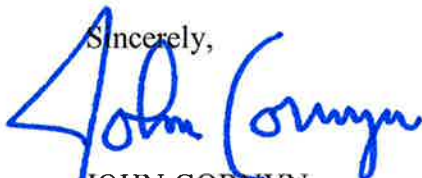
I write to request you delay implementation of the new National Flood Insurance Program (NFIP) rate-setting plan, Risk Rating 2.0 (RR 2.0). Our nation is still recovering from the pandemic, and thousands of families are struggling to make mortgage payments and keep food on the table. FEMA should consider the impact implementing RR 2.0 would have on these families and provide a forum for comment and review from the public. Failure to delay would mean current NFIP policyholders will not have time to determine how new rates will affect their businesses and homes during a period of unprecedented social and economic hardship.

I recognize NFIP has struggled with solvency as claims have increased with both the number and severity of major floods. A new payment system such as RR 2.0 could help the program become more equitable and provide relief to more homeowners. However, FEMA is not allotting policyholders adequate time to adjust to the new plan. FEMA has also told my constituents it is unable to share the new rates and that it will take at least 30 days for a policy to become effective. These new policies, effective after October 1, 2021, move to full actuarial rates, which based on the Congressional Budget Office may be as high as 4.4 to 7.5 times existing rates. If left unchanged, this will deny policyholders the opportunity to make educated decisions regarding their insurance policies. Everyday Americans who operate small businesses or own property are still struggling with the financial effects of COVID-19, and many need time to properly prepare for new expenses.

I am hearing from counties all over my state that the updated Risk Rating 2.0 formula also does not take into full account levee protection. I ask that your administration incorporate mitigated risk levees provide and update rates accordingly. I urge FEMA to delay implementation of RR 2.0 to permit policy holders the opportunity to understand and react to how their rates will be affected by the new system.

Thank you for your assistance and consideration.

Sincerely,



JOHN CORNYN  
U.S. Senator