

Congress of the United States
Washington, DC 20515

September 16, 2021

The Honorable Nancy Pelosi
Speaker
U.S. House of Representatives
Washington, DC 20515

The Honorable Kevin McCarthy
Minority Leader
U.S. House of Representatives
Washington, DC 20515

Dear Speaker Pelosi and Minority Leader McCarthy,

We write because our constituents are in desperate need of relief from the National Flood Insurance Program (NFIP) rate hikes expected under Federal Emergency Management Agency's (FEMA) Risk Rating 2.0. While we appreciate FEMA's work to create a NFIP that establishes actuarially sound rates, we are concerned about the burden of potential double digit rate hikes on our constituents by FEMA's untested pricing methodology. Therefore, we ask you to include language delaying the unfair implementation of Risk Rating 2.0 in any piece of legislation going to the floor this month until a more robust methodology that includes a lower premium cap is in place for policy holders.

While Congress continues to debate needed affordability, fairness, and sustainable reforms to the NFIP, FEMA plans to unilaterally implement Risk Rating 2.0 in a phased approach beginning on October 1, 2021. FEMA's Risk Rating 2.0 implementation announcement earlier this year has already impacted communities we represent that are still dealing with the far-reaching economic impacts of COVID-19 and recovering from the devastation of Hurricanes Ida and Henri.

There are serious implementation questions surrounding Risk Rating 2.0. Our constituents and those involved in implementing FEMA's rate hikes need more time to get the answers they deserve. The additional burden of up to double digit rate hikes by FEMA for our constituents, especially those in low- and moderate-income communities is too much for them to bear. Massive rate changes should be subject to additional scrutiny and review by Members of Congress in a long-term reauthorization, not arbitrary FEMA deadlines. A delay in implementing Risk Rating 2.0 is needed to allow Congress time to work on a comprehensive long-term reauthorization of the NFIP.

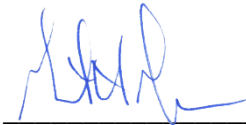
FEMA has already previewed that nearly 80 percent of policy holders in the eight states (approximately 1,385,759 in Floridaⁱ, 661,830 in Texasⁱⁱ, 394,757 in Louisianaⁱⁱⁱ, 170,685 in New Jersey^{iv}, 155,349 in South Carolina^v, 157,316 in California^{vi}, 117,093 in New York^{vii}, and 104,145 in North Carolina^{viii}) that account for the largest share of NFIP policies should expect to pay a higher premium under Risk Rating 2.0. This increase is due to FEMA's new methodology as well as the existing statutory limits on rate increases.

We appreciate the hard work Chair Maxine Waters and Ranking Member Patrick McHenry have put into developing a long-term NFIP reauthorization, including efforts to recognize the pending rate hikes. Time is of the essence with FEMA's pending deadline to implement Risk Rating 2.0. We cannot accept another short-term extension of the NFIP without addressing these expected rate hikes for our constituents. We are eager to work together to implement reforms to the NFIP based on the realities experienced in the aftermath of major flooding and storms our constituents have just experienced. Thank you very much for your time and attention to our request.

Sincerely,



Bill Pascrell, Jr.
Member of Congress



Garret Graves
Member of Congress

Additional signers include the following Members of Congress:

Representative Brian Babin
Representative Vern Buchanan
Representative Cheri Bustos
Representative Troy A. Carter, Sr.
Representative Charlie Crist
Representative Brian Fitzpatrick
Representative Carlos A. Gimenez
Representative Josh Gottheimer
Representative Al Green
Representative Clay Higgins
Representative Brian Higgins
Representative Mike Johnson
Representative Andy Kim
Representative Douglas LaMalfa
Representative Julia Letlow
Representative Tom Malinowski
Representative Grace Meng
Representative Gregory F. Murphy, M.D.

Representative Troy E. Nehls
Representative Donald Norcross
Representative Steven Palazzo
Representative Frank Pallone, Jr.
Representative Donald M. Payne, Jr.
Representative Bill Posey
Representative Tom Rice
Representative David Rouzer
Representative Steve Scalise
Representative Mikie Sherrill
Representative Albio Sires
Representative Christopher H. Smith
Representative Michelle Steel
Representative Ritchie Torres
Representative David Trone
Representative Bonnie Watson Coleman
Representative Randy Weber
Representative Susan Wild

ⁱ https://www.fema.gov/sites/default/files/documents/fema_florida-state-profile_03-2021.pdf

ⁱⁱ https://www.fema.gov/sites/default/files/documents/fema_texas-state-profile_03-2021.pdf

ⁱⁱⁱ https://www.fema.gov/sites/default/files/documents/fema_louisiana-state-profile_03-2021.pdf

^{iv} https://www.fema.gov/sites/default/files/documents/fema_new-jersey-state-profile_03-2021.pdf

^v https://www.fema.gov/sites/default/files/documents/fema_south-carolina-state-profile_03-2021.pdf

^{vi} https://www.fema.gov/sites/default/files/documents/fema_california-state-profile_03-2021.pdf

^{vii} https://www.fema.gov/sites/default/files/documents/fema_new-york-state-profile_03-2021.pdf

^{viii} https://www.fema.gov/sites/default/files/documents/fema_north-carolina-state-profile_03-2021.pdf