Website Posting about RR 2.0

December 15, 2022

Final Version

*(District name)* has joined the Fort Bend Economic Development Council (FBEDC) with other levee districts in the County to form the FBFMC (Fort Bend Flood Management Committee).

The purpose of this coalition is to come together to form a strong, collective voice to address federal, state, and local regulations and guidelines that affect leveed areas.  You can follow this committee on the FBEDC at the following link (*website link*).

The FBFMC has engaged consultants to work with the member districts to identify the issues and formulate legislative relief so we continue to benefit from the many years of successful flood management here in FBC.

In 2021, the Federal Emergency Management Agency (FEMA) changed how flood insurance (National Flood Insurance Program, NFIP) rates are calculated for your home and property.  A new rating system called Risk Rating 2.0 (RR 2.0) was introduced.  RR 2.0 supposably allows FEMA to determine premium rates per property based on factors such as proximity to a flooding source, 1st floor elevation, replacement cost of rebuilding, etc.  This is not a complete list because FEMA has not disclosed exactly how the rate engine is formulated.

In the past, premium rates were determined by mapped flood zones. In the 100-year floodplain (aka, special flood hazard area or SFHA) federally-backed or regulated lenders must require that flood insurance be purchased and maintained. Leveed districts in Ft. Bend County are accredited by FEMA, thus avoiding the SFHA designation. As a result, homeowners received Preferred Rate Policies, saving hundreds of dollars, and were exempt from this mandatory purchase of flood insurance.

Under the new NFIP RR 2.0, flood insurance has become a major concern as premium rates have increased, policy holder numbers across the country have started to decrease, and new guidelines are being implemented that potentially could have a negative effect on us and other levee districts.

Some of the current steps being taken by the EDC and FBFMC to address this concern are:

1. Setting the goal of:  Affordable, voluntary flood insurance for 100-year accredited levee protected areas,
2. Requesting that accredited levees continue to exempt protected communities from SFHA designation and mandatory flood insurance purchase,
3. Requiring FEMA to be transparent with the RR 2.0 methodologies and disclose the full actuarial premium on all NFIP flood insurance bills,
4. Ensuring the data being used by FEMA to set RR 2.0 rates in leveed areas is correct.

Through our participation in the FBFMC under the EDC, this district will continue to monitor and challenge any change that goes against the best interest of our residents and businesses.

We trust you will stay engaged and support our efforts through this coalition on your behalf.