

Congress of the United States

Washington, DC 20510

August 4, 2022

Mr. David Maurstad
Deputy Associate Administrator of Insurance and Mitigation
Federal Emergency Management Agency
500 C Street, S.W.
Washington, DC 20472

Dear Mr. Maurstad,

As members of the Louisiana congressional delegation, we write to you to voice our concern and raise questions about the impacts of Risk Rating 2.0 and to ask for your commitment to make NFIP risk rating more transparent and affordable. In Louisiana, many have experienced dramatic increases in the cost of policies without any explanation of what risk factors are causing these increases.

We continue to be extremely concerned about Risk Rating 2.0's treatment of flood protection and mitigation measures when setting individual rates. We have discussed these concerns with the people of Louisiana who are experts on flood protection and mitigation, including levee protection, home elevation, and coastal restoration, and it is increasingly concerning that there is still inadequate and insufficient information on how these protection efforts will be recognized under Risk Rating 2.0.

One example is the greater New Orleans Hurricane & Storm Damage Risk Reduction System (HSDRRS), an over \$14 billion federal investment, which was substantially completed by the U.S. Army Corps of Engineers in May after authorization by Congress in 2005. Based on FEMA's levee treatment technical document, it is unclear whether the protection afforded by this system is fully accounted for under Risk Rating 2.0's methodology.

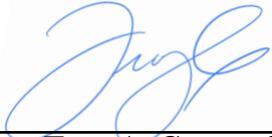
The technical document states, "To identify the risk for communities behind levee systems, FEMA considers the likelihood of a flood hazard occurring, how a levee is expected to perform when exposed to that hazard, and the related consequences of a levee overtopping or a levee breach (Figure 2). For the document, hazard is defined as flooding from riverine sources and consequences are defined as damages a building may sustain from flooding." HSDRRS is not a riverine levee system. Improper consideration of HSDRRS, and future improvements planned, greatly undermine the protection provided by the system.

For example, under Risk Rating 2.0, an elevated X Zone property in New Orleans increased from \$572 to \$2,771, a slab-on-grade Zone X property in Jefferson Parish increased from \$572 to \$4,152, and a slab-on-grade Zone AE property in Plaquemines Parish increased from \$572 to \$8,828. All of these properties are protected by HSDRRS. These are just three examples from the tens of thousands of American families protected by a levee system who are being financially and emotionally drained by Risk Rating 2.0.

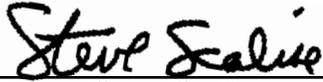
We request a response that explains exactly how HSDRRS is factored into policyholders' rates, and by how much it reduces rates. Substantiating data can include examples of premiums with HSDRRS system, and what those premiums would cost without the HSDRRS system. Additionally, we request greater transparency in the development of rates and the valuation of rating factors.

People should be rewarded, not penalized, for taking lifesaving measures to mitigate and protect against future floods. As such, we look forward to your prompt response regarding this serious matter.

Respectfully,



Troy A. Carter, Sr.
Member of Congress



Steve Scalise
Member of Congress



Julia Letlow
Member of Congress



Garret Graves
Member of Congress



Mike Johnson
Member of Congress



Clay Higgins
Member of Congress