April 15, 2021

The Honorable Sherrod Brown
Chairman
Senate Banking, Housing, and Urban Affairs Committee
534 Dirksen Senate Office Building
Washington, DC 20510

Dear Chairman Brown:

I write to you today regarding the National Flood Insurance Program (NFIP). As you know, it has been over four years since the Senate Banking, Housing, and Urban Affairs Committee hosted a hearing focused on the NFIP. Meanwhile, the Federal Emergency Management Agency (FEMA) is initiating a new NFIP rating system called Risk Rating 2.0, circumventing Congress. The new premium rates under Risk Rating 2.0 are scheduled to go into effect on October 1, 2021, for new NFIP policies, and new rates for existing NFIP policyholders will go into effect on April 1, 2022. As such, I respectfully request the FEMA Deputy Associate Administrator of Insurance and Mitigation and Senior Executive of NFIP, David Maurstad, testify before the committee.

The NFIP is the primary source of flood insurance coverage for residential properties in the United States. Five million families depend on the NFIP. Risk Rating 2.0 will bring the biggest change to NFIP insurance premiums since the NFIP program began, including rate increases and mandating new policies. I have serious concerns about Louisiana families being able to afford flood insurance under the proposed Risk Rating 2.0. The NFIP only makes sense if homeowners can afford it.

Since the end of FY 2017, Congress has enacted 16 short-term NFIP reauthorizations with the expectation that Congress would consider reform. That time is now. Congress should oversee and debate any changes to the program, especially substantial changes to the program such as Risk Rating 2.0. Thank you for your previous work to reauthorize the program. I believe that together we can make significant progress on a comprehensive, long-term proposal.

Sincerely,

John Kennedy
U.S. Senator