



## Hoeven, Vitter, Cochran to FEMA: Quit Stalling on Flood Insurance Policy Protection

WASHINGTON, April 11 -- The office of Sen. John Hoeven, R-N.D., issued the following news release:

U.S. Senators John Hoeven (R-N.D.), David Vitter (R-La.) and Thad Cochran (R-Miss.) Thursday sent a letter to Federal Emergency Management Agency (FEMA) Administrator Craig Fugate requesting a meeting to discuss a plan to implement the recently passed flood insurance reform law and reinstating rates as Congress intended. The Senators want Fugate to explain why property owners continue to be charged higher flood insurance rates, despite a bipartisan law passed in March to protect them from such unaffordable premium costs.

“The reason we worked so hard to pass our legislation was that people were enduring the hardship of higher premiums,” Hoeven said. “FEMA should be implementing the new law now for the very same reason - people are enduring the hardship of higher premiums, but they shouldn’t be because we’ve already passed a law to reduce their high rates.”

“Are you kidding us?” Vitter said. “It’s been nearly a month since we’ve passed the law and FEMA has done virtually nothing to protect flood insurance policy holders. FEMA needs to take action immediately because if policies lapse, people could literally lose their homes - the risk that new rates would have protected against.”

“On behalf of our constituents, we want to know why the Obama administration continues to uphold unaffordable flood insurance premiums that Congress expressly overturned. This is not fair and any foot dragging by FEMA to implement the new law is unacceptable,” Cochran said.

On March 21, 2014 President Obama signed into law the “Homeowner Flood Insurance Affordability Act,” which permanently reinstates grandfathering and protects against unaffordable rate increases. Since then, the Senators have learned that FEMA continues to charge participants in the National Flood Insurance Program (NFIP) with increased rates under the Biggert Waters Flood Insurance Reform Act of 2012.

Following is the text of their letter today:

April 10, 2014

The Honorable W. Craig Fugate

Administrator

Federal Emergency Management Agency

U.S. Department of Homeland Security

500 C Street SW, Washington, D.C. 20472

Dear Administrator Fugate:

It has come to our attention that the Federal Emergency Management Agency(FEMA) continues to charge participants in the National Flood Insurance Program (NFIP) increased rates prescribed by the Biggert Waters Flood Insurance Reform Act of 2012 (P.L. 112-141). We understand that implementing the recently enacted Homeowner Flood Insurance Affordability Act (P.L. 113-89) will take time. It is completely unacceptable, however, that since President Obama signed the law on March 21, 2014, you have not made it a priority to protect these policy holders. The Homeowner Flood Insurance Affordability Act stops most of the significant rate increases enacted through Biggert-Waters. Furthermore, FEMA officials have informed our offices that these unaffordable, outdated rates will continue until new guidance is issued - which could be months. We have also been told that if our constituents do not pay the increased rates prescribed by Biggert Waters, their policies will lapse. If their policies lapse, they will lose their opportunity to access the rates allowed under the recently passed legislation.

Attention needs to be paid to this issue immediately, and you must develop a plan to quickly implement the new law and to shield the policy holders protected by the law if they cannot afford to continue making these astronomical payments.

Congress has acted in an overwhelmingly bipartisan manner to protect these policy holders. FEMA must act with the same sense of urgency. We request a meeting, as soon as possible, with you to discuss a plan for your agency to implement the new law and reinstating rates as Congress intended. Please respond to this request by Friday, April 18, 2014. We await your reply.