

United States Senate

November 3, 2022

Dear Administrator Criswell,

In October of 2021, this office first requested a briefing with FEMA and the Louisiana delegation to discuss the National Flood Insurance Program and specifically the implementation of Risk Rating 2.0. It has now been over a year and we have yet to receive a response with a time your department would be willing to provide such a briefing.

FEMA's plan to implement the program first and provide details later is causing havoc. It has left policyholders in the dark without the basic information they need to prepare for the future. Insurance agents in Louisiana tell me that FEMA has not given them the information they need to adequately assist policyholders in navigating the changes to the program. This uncertainty is damaging and inexcusable. Despite years to plan the rollout of Risk Rating 2.0, FEMA is not meeting its basic obligations to serve my constituents.

In the past, agents could tell policyholders how much elevating their home, or making other improvements, would reduce their flood insurance rates. This encouraged mitigation and property resilience, protected property, and ultimately saved the National Flood Insurance Program (NFIP) money.

Today, the information FEMA provides is not sufficient for this purpose. For example, the Discount Explanation Guide includes only six foundation types, none of which correspond exactly to the most common kind of foundation in South Louisiana. If you are building a new home, you need to know how high to elevate to receive a flood insurance premium you can afford. This is a serious problem for the new home construction market, as homebuilders don't know what metrics to target. It also affects current policyholders who cannot make plans to address the coming rate hikes as they don't know what FEMA will accept for mitigation.

In response to recent questions from Congress on the transparency of Risk Rating 2.0 rating methodology, FEMA responded with inscrutable calculation worksheets and rating factors which obfuscate instead of illuminate how flood insurance rates and premiums are calculated.

Concerned constituents are contacting my office daily in dire need of clarity FEMA is not providing.

Policyholders stand to see thousands of dollars in annual premium increases over the next several years. FEMA is quick to advertise rates will only go up by \$0-\$10 per month for 66% of

policyholders, but has not mentioned that this is only true for the first year of the program. In future years, policyholders in this group could see the same drastic premium increases.

The lack of communication greatly diminishes any confidence in FEMA's ability to implement this Risk Rating 2.0. If the Biden administration refuses to halt implementation of this disastrous policy, the least they can do is provide constituents with the basic information they need to navigate this new rating regime. Home builders, insurance agents and families need to know how mitigation measures can influence their potential rates. FEMA must be transparent to Congress and our constituents about the true extent of these premium increases.

We know Risk Rating 2.0 will hurt millions of Americans. Withholding the true damage that is set to befall them will only make things worse.

I hope to hear from you soon. Sincerely,

A handwritten signature in blue ink that reads "Bill Cassidy, M.D." The signature is written in a cursive, flowing style.

Senator Bill Cassidy, M.D.