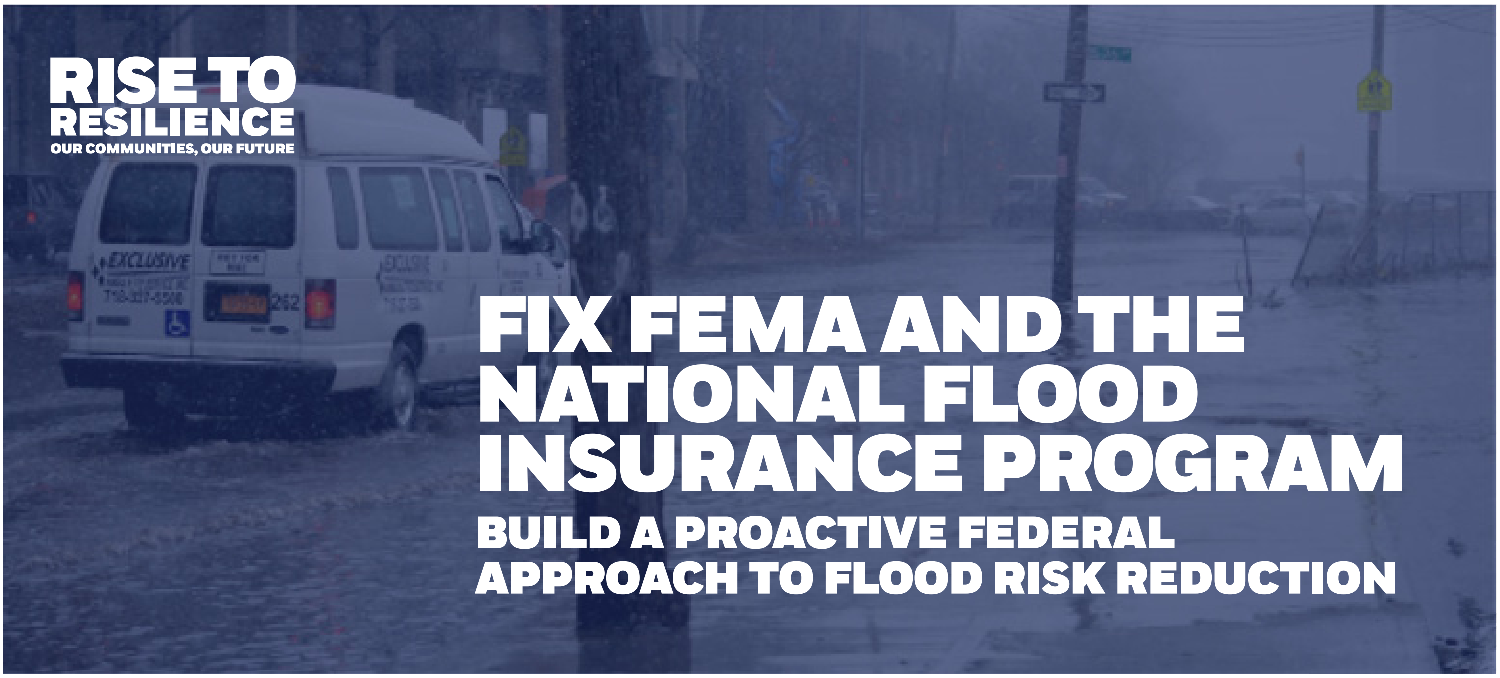

RISE TO RESILIENCE
OUR COMMUNITIES, OUR FUTURE

FIX FEMA AND THE NATIONAL FLOOD INSURANCE PROGRAM

BUILD A PROACTIVE FEDERAL APPROACH TO FLOOD RISK REDUCTION

Background

Climate change is not abstract for our region. More than one million people across New York and New Jersey live at risk of flooding today. Yet, eight years after Hurricane Sandy, we are still unprepared. What is at stake? Your home, your business, your school, your park, your neighborhood, and your way of life. Delaying action is not an option. Now is the time to address the greatest threat to our region's future.

The Rise to Resilience campaign is today's roadmap for a more resilient tomorrow. Together we can build resilience, support our communities and economy and create a more equitable and just region.

Please join us at rise2resilience.org.

Issue overview

In 2017 alone, our nation suffered more than $300 billion in damages because of extreme events, primarily flooding.[1] Our federal government is the ultimate risk manager and the Federal Emergency Management Agency (FEMA) is increasingly deployed while underfunded and in debt through its National Flood Insurance Program (NFIP).[2,3] Most importantly, millions of American households and individuals have experienced devastating losses. In many cases, because of lack of flood insurance, homeowners and small businesses are still recovering or worse, have yet to recover, widening wealth gaps.[4]

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[1] Adam Smith. 2018. 2017 U.S. billion-dollar weather and climate disasters: a historic year in context. National Oceanic and Atmospheric Administration.
[2] Government Accountability Office. 2018. National Flood Insurance Program.
[3] AECOM. 2013. The Impact of Climate Change and Population Growth on the National Flood Insurance Program Through 2100. Prepared for Federal Insurance and Mitigation Administration Federal Emergency Management Agency.
[4] NPR. March 5, 2019. How Federal Disaster Money Favors the Rich.

ACTION:
Introduce legislation that re-envisions and funds FEMA so it is better prepared for the climate challenges of the 21st century

FEMA faces continual budget challenges, in part due to a lack of preparedness and policies preventing risky development at all levels of government, paired with increased climate risks. Congress should support the re-envisioning of a national framework for hazard mitigation, utilizing FEMA's expertise and funding mechanisms.

Legislation should:

> **Proactively reduce risk:** support investments in flood-prone areas to reduce risk through a resilience revolving loan and grant program and annual allocations to the existing FEMA Building Resilient Infrastructure and Communities (BRIC) Program. Both funding mechanisms must include provisions to ensure that funds prioritize frontline communities, green infrastructure, and co-benefits.

> **Modernize investments** through requiring future risk to be incorporated into FEMA-funded projects.

> **Invest in social resilience and prioritize socially vulnerable communities:** in collaboration with HUD, ensure that a component of disaster mitigation funding goes towards local community organizations that provide adaptation, resilience and disaster response services such as community and volunteer organizations active in disaster. Further, adapt funding eligibility criteria and activities of FEMA and HUD flood mitigation programs to prioritize socially vulnerable communities.

> **Strengthen regulations on payouts** to influence retreat and offering buyouts after major flood events to prevent repetitive loss claims.

ACTION:
Reauthorize and reform the National Flood Insurance Program

The NFIP is a staggering $20 billion in debt. First and foremost, legislators must reauthorize the program, which has been continually extended for brief increments. FEMA and legislators should also implement key reforms to increase the fiscal soundness and function of the NFIP. Without reforms, governments engender a false sense of security that can result in densification of risky areas and worsen wealth gaps.

A reformed NFIP should:

> **Invest in modernization of mapping by fixing inaccuracies and incorporating future risk** due to sea-level rise and increased precipitation into all FEMA flood maps. Buyers and renters should know their expected risk within the span of a mortgage.

> **Improve applicability to urban areas** and buildings by mapping urban flood hazards and developing mitigation approaches applicable to urban buildings.

> **Support low and moderate income homeowners** through resources and assistance to adapt (e.g. grants to reduce the cost of retrofits, relocation counseling and assistance).

> **Increase insurance coverage** by making it easy to get and maintain flood insurance and penalizing mortgage lending agencies that do not enforce requirements. Extend the FEMA grace period for flood insurance through March 2021 to ensure that homeowners and residents don't lose flood insurance coverage in light of COVID-19.

- **Accurately reflect risk in premiums with strong affordability safeguards:** Accompanying the phasing-in of risk-based ratings and employ means-tested affordability subsidies based on housing burden, phasing out subsidies for those who can afford premiums and new construction.[5]

- **Reduce risk exposure:** severely limit new construction subsidies and study a "discounts for buyouts" program for repetitive loss properties in areas with current or future flood risks that would offer owners discounts on premiums now, in exchange for a commitment to accept a future buyout at an agreed-upon triggering event.[6]

- **Pursue a nationwide right-to-know policy for flood risk**, requiring disclosure to potential tenants and buyers to increase transparency and insurance uptake.

[5] Dixon, L. et al. 2017. The Cost and Affordability of Flood Insurance in New York City. Rand Corporation.
[6] Adler, D; M Burger; R Moore; J Scata. 2019. Changing the National Flood Insurance Program for a Changing Climate. Environmental Law Institute, Washington, DC.