United States Senate

WASHINGTON, D.C. 20510

September 26, 2013

The Honorable Harry Reid
Senate Majority Leader
522 Hart Senate Office Bldg.
Washington, DC 20510

The Honorable John Boehner
Speaker of the House
H-232 U.S. Capitol
Washington, DC 20510

The Honorable Mitch McConnell
Senate Minority Leader
317 Russell Senate Office Bldg.
Washington, DC 20510

The Honorable Nancy Pelosi
House Minority Leader
235 Cannon House Office Bldg
Washington, DC 20510

Dear Majority Leader Reid, Minority Leader McConnell, Speaker Boehner, and Minority Leader Pelosi:

We write to request your assistance in working with us to remedy some unintended consequences of the Biggert-Waters National Flood Insurance Reform Act of 2012. While we support the overall goals of this legislation, we are concerned that if it is fully implemented absent additional measures, some residents and small businesses located in Massachusetts may be faced with economically devastating impacts.

The Biggert-Waters National Flood Insurance Reform Act of 2012 was enacted in order to assure the solvency of the highly indebted National Flood Insurance Program. Ensuring that flood insurance premiums accurately reflect the risk of flood damage is especially important in light of rising sea levels and an increase in extreme rainstorms that come about as a result of global warming. The damage from Superstorm Sandy and the nor'easters this past winter are the latest examples of the impacts that the combination of sea-level rise and storms can have on the coastal communities of Massachusetts.

While we support the underlying intent of the legislation, we have grave concerns about its implementation, especially as it intersects with the ongoing work to update flood maps. Reports from residents and businesses in Massachusetts have described the potential for dramatic and completely unaffordable flood insurance premium increases as the Federal Emergency Management Agency (FEMA) has moved forward to implement the law. While Congress intended for FEMA to contract with and learn from a National Academy of Sciences (NAS) report on potential affordability issues associated with the law, work on that report has not yet even begun.

We request that as part of this year's appropriations process, you ensure that the following steps are taken to address these challenges:

1) Adequate funding for NAS to complete its affordability study must be provided; and,

2) A delay in the immediate premium rate increases required by the legislation for small businesses and for sales of residential properties should be provided for, so that the NAS study can be completed and its findings and recommendations incorporated into FEMA's planning.

As FEMA moves to adopt its new floodzone maps and implement the rest of the potential premium rate increases that are required under the legislation (which is expected to occur no earlier than late 2014), we also ask that the following steps are taken:

1) We ask that you work with us to devise a legislative remedy for the affordability challenges that flood insurance premium increases are likely to pose to residential homeowners and small businesses. We do not believe that the increased consequences of global warming and extreme weather should be borne by those least able to afford it.
2) We ask that you work with us to ensure that the flood maps FEMA devises are accurate and reflect the input of the communities that they characterize.
3) We ask that you work to ensure that FEMA improves its outreach efforts to inform homeowners of their status under new flood maps; and to modify its appeals process for challenging the flood map so as to give homeowners a meaningful opportunity to dispute any changes.

Thank you for your consideration of our request, and we look forward to working with you to ensure that this legislation is implemented in a way that maintains the viability of the National Flood Insurance Program while assisting homeowners and small business in avoiding sharp and un-affordable spikes in the cost of insurance.

Sincerely,

Edward J. Markey
U.S. Senator

Elizabeth Warren
U.S. Senator

Richard E. Neal
Member of Congress

James P. McGovern
Member of Congress

John F. Tierney
Member of Congress

Michael E. Capuano
Member of Congress

Stephen F. Lynch
Member of Congress

Niki Tsongas
Member of Congress

William R. Keating
Member of Congress

Joseph P. Kennedy, III
Member of Congress