



NEWS RELEASE

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Senate passes measure that delays federal flood insurance premiums

WASHINGTON, D.C. – The National Association of Counties (NACo) today applauded Senate passage of legislation to delay implementation of new federal flood insurance premiums which would cause insurance rates to rise rapidly in certain areas of the country. For information on how this legislation would impact counties and the people they serve, please click [here](#) to read NACo's new legislative presentation on Biggert-Waters and the National Flood Insurance Program (NFIP).

The Homeowners Flood Insurance Affordability Act of 2013 (S. 1926), which passed by a 67-32 vote, would delay for four years implementation of flood insurance premiums until after the Federal Emergency Management Agency (FEMA) completes its affordability study and Congress can act on those recommendations.

The legislation is in response to the Biggert-Waters Flood Insurance Reform Act of 2012 (BW-12), signed into law in July of 2012, which aimed to make FEMA's National Flood Insurance Program (NFIP) more financially stable by reflecting true flood risks in communities.

NACo and county leaders raised concerns that implementation of BW-12 resulted in some unexpected complications, including rapidly increasing flood insurance premiums in local communities.

"A number of the nation's 3,069 counties represented by NACo, both coastal and inland, have stated that their homeowners and businesses are facing drastically increasing annual NFIP flood insurance premiums due to BW-12's phase-outs of subsidized premium rates," said NACo President Linda Langston, supervisor, Linn County, Iowa. "Clearly, more study needs to be undertaken before full implementation of flood insurance reform to protect affected homeowners and businesses from further unintended economic hardship."

Counties are concerned about the impact high insurance premiums will have on their residents, businesses and local economies.

“This has a large impact on average citizens who are required to carry flood insurance,” said NACo Second Vice President Sallie Clark. “This affects our neighbors: teachers, firefighters, small business owners; the people who form the fabric of communities. Without changes to this legislation, homeowners will simply not be able to afford annual flood insurance rates that are three or four times more than what they originally paid. As a result, unaffordable costs could force them to walk away from their homes, adding uncertainty to communities and affecting their counties’ property tax base.”

According to the Government Accountability Office, properties in 2,930 counties had subsidized policies as of June 2012. Many low-lying areas contain lower income and/or middle income resident and business properties, which cannot absorb high insurance premiums

“We call on the House of Representatives to quickly act on the House companion bill to S. 1926, H.R. 3370, the Homeowner Flood Insurance Affordability Act of 2013, and send the bill to the president’s desk for his signature,” said Langston.

NACo supports a sustainable, fiscally responsible NFIP that protects the businesses and homeowners who built according to code and have followed all applicable laws. NACo urges Congress to amend the Biggert-Waters Act to keep flood insurance rates affordable while balancing the fiscal solvency of the program.

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The [National Association of Counties](http://www.naco.org) (NACo) is the only national organization that represents county governments in the United States. Founded in 1935, NACo assists America’s 3,069 counties in pursuing excellence in public service to produce healthy, vibrant, safe and resilient counties. NACo promotes sound public policies, fosters county solutions and innovation, promotes intergovernmental and public-private collaboration and provides value-added services to save counties and taxpayers money. More information at: www.naco.org.