

United States Senate

August 1, 2023

Mr. David Maurstad
Senior Executive
National Flood Insurance Program
Federal Emergency Management Administration
500 C Street SW
Washington, D.C. 20472

Dear Mr. Maurstad:

I am concerned that the National Flood Insurance Program's (NFIP) Risk Rating 2.0 has unfairly increased flood insurance rates for millions of Floridians, making the coverage increasingly unaffordable for working families. We have a crisis in Florida, and I am demanding answers.

As Senator, I have pushed for much-needed reforms to make flood insurance affordable and accessible to Florida families. Ensuring more choice and competition in the flood insurance market is key to a stable and affordable marketplace and the government-run NFIP regime is no different. Getting this done is even more important today as families face rising costs of home ownership.

Many Americans' greatest investment is their home or business. Yet, today Floridians face a property insurance crisis that is making their homes and the American dream unaffordable. The last thing that families in the Sunshine State need right now are higher costs on yet another insurance policy. That's why I have been disturbed by reports that premiums will increase for 80 percent of homeowners and other policyholders under this new flood insurance rating system.

I fear that without action to expand the private market, create more competition and lower premiums, we will soon start to see many Floridians who can't afford to pay for NFIP under Risk Rating 2.0 and remain in their homes. This places them in the impossible and unacceptable position of being forced to either drop flood insurance coverage, or sell their home and enter an uncertain and expensive housing market. Everything possible must be done to prevent this scenario from becoming a reality for families in my state. That's why I'll be introducing legislation to ensure every NFIP policyholder can pay their premium bill monthly to provide them a bit of relief from all of these rising costs.

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Floridians and all Americans deserve more transparency and accountability at the NFIP, rather than the higher rates they are now facing. Higher insurance premiums are not something we should simply accept as the new normal. As governor of Florida, I dealt with a property insurance market that had become increasingly burdensome of Florida taxpayers and dependent of the state-run insurer of last resort. By working with our private partners, and focusing on shrinking the number of policies held by the state-run insurer, we gave Florida families more choice and lower costs, while sparing taxpayers from dangerous financial exposure.

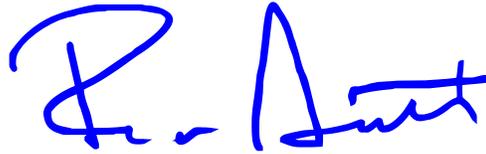
With increased competition, needed reforms to the NFIP and a more robust private market, families can be spared from the unaffordable costs threatening this program today. Therefore, I am writing you today to ask the following questions:

- How and why have flood insurance premiums changed for new and existing NFIP policyholders in Florida since Risk Rating 2.0 was implemented? Please provide this detailed information by zip code.
- What plans do you have in place to ensure that Floridians have the tools they need to navigate your new Risk Rating 2.0?
- Why hasn't the NFIP embraced more data sharing to improve the private market?
- How has inflation impacted flood insurance rates and premiums for homeowners and businesses with NFIP policies?
- Florida has been a donor state to NFIP for many years. How much have Floridians paid into the system versus the amount it has claimed in insurance payouts over the past 20 years? Was this factored in to current NFIP premium insurance rates?
- When will all NFIP policyholders have the option to pay their premiums monthly? Please provide a timeline for the long overdue implementation of this law.

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Thank you for your prompt attention to this important matter.

Sincerely,

A handwritten signature in blue ink, appearing to read "Rick Scott". The signature is stylized with a large initial "R" and a prominent "S".

Rick Scott
United States Senator