RAA: GOVERNMENT SHOULD FACILITATE PRIVATE FLOOD INSURANCE MARKET

Washington, D.C., (October 26, 2016) – In remarks to London’s International Underwriting Authority (IUA), RAA President Frank Nutter outlined steps the Federal government should take to facilitate a private flood insurance market that would complement the National Flood Insurance Program, highlighting the need to manage escalating flood risks in the U.S. in order to ease the financial burden for flood risk borne by the Federal government’s National Flood Insurance Program. Those steps include:

- Ensuring risk-based rates for flood exposures at both the state level and in the NFIP, while providing subsidies for those who cannot afford risk-based rates;
- Providing incentives at the Federal level for states and local governments that undertake hazard mitigation programs, such as improved building codes and flood plain management standards;
- Allowing access to NFIP flood exposure data so the private market can determine risks and rates;
- Reducing the NFIP’s risk by purchasing reinsurance and reducing disaster assistance.

Mr. Nutter concluded, “The steps will ease the financial burden for flood risk now borne by the Federal government and ultimately, the American taxpayer.”

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