

**Statement on National Flood Insurance Reform Legislation, Before
the Subcommittee on Housing and Community Opportunity**

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Of the 12th District, State of Illinois**

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Chairwoman Waters, Ranking Member Capito, I appreciate the opportunity to testify before the Subcommittee today regarding legislation to reform our national flood insurance program. This important issue has received national attention in the years since Hurricane Katrina breached the levees in New Orleans and the destroyed homes along the Gulf Coast. Many aspects of flood insurance need to be examined, and I commend the Subcommittee for its dedicated attention to this work.

I am particularly concerned about the ongoing nationwide redrawing of flood maps by the Federal Emergency Management Agency (FEMA). This congressionally-mandated process is a valuable part of ensuring communities understand local flood risks. However, its implementation has been arbitrary and, for some locations, opaque and confusing.

In the district I represent in the St. Louis metropolitan area, we received word from FEMA in August 2007 that due to the new flood map, the federally-built, locally-maintained levees that had protected the region for more than half a century would not be certified to meet the 100-year flood protection level. Everyone in the new map area with a federally-backed mortgage - some 30,000 homeowners, most living in economically-challenged areas - would have to purchase insurance through the national program. Quite simply, they will be hard-pressed to afford the insurance. In addition, there is no question that the regional economy will be negatively impacted by the new maps, despite the best efforts of the affected communities.

Local leaders immediately went to work assessing the necessary repairs to fix the levees. A local tax increase was approved by the state legislature to collect part of the estimated \$350-500 million needed to complete the project. This work will take several years, and when the new maps go into effect, as soon as next year, the economic impact of mandatory insurance will hit the region, like the rest of the country, as it is dealing with the worst economic downturn since the Great Depression. Also, given current federal budget constraints, it is not likely that we will be able to provide significant pre-disaster assistance for the estimated \$100 billion in levee repairs needed nationwide.

Concern with the remapping process is not unique to the 12th District of Illinois. Last year, I formed a working group with other House members to discuss issues related to the new flood maps, and Congressman Rodney Alexander and I formed the Congressional Levee Caucus to discuss the rebuilding and maintenance of levee systems around the country. Forty members are participating in these discussions on the impact of remapping and levee certification. While not all of them have a problem with levees, there is a common thread running through all of our meetings: local jurisdictions need time to address the impact of new maps and the costs for individuals and the local economy of mandatory insurance.

Last July, I introduced H.R. 3415, which would provide a seven-year delay in mandatory insurance purchase requirements for areas that are actively addressing the problem of fixing levees by providing funding, publishing communications and evacuation plans, and educating the public about the availability of insurance. To date, 20 members from both parties and across the country from Oregon and California to Kentucky and Tennessee have signed on as cosponsors of this bill. The interest in delaying the onset of mandatory flood insurance is an issue with broad support.

The bill introduced yesterday by Chairwoman Waters builds on the idea of delaying mandatory insurance by instituting a five-year delay of mandatory purchase requirements in any newly mapped area, and a subsequent five-year phase-in of flood insurance rates, provided the local jurisdiction has a communication and evacuation plan in place and meets insurance education requirements.

Providing a period of time for communities to adjust to the economic impacts of the mapping process gives local governments an incentive to address local needs and repairs quickly. If all we do is continue to tell communities that they have to bear the costs and burdens of remapping, I am concerned they will simply throw up their hands and either withdraw from the program altogether or wait for a disaster to hit and hope for massive federal assistance. Neither of these options brings us closer to the goal of providing long-term protection to our constituents. Allowing the flood insurance maps to take effect will achieve FEMA's goal of communicating flood risk while granting local communities the time to prepare for the economic impacts of mandatory flood insurance.

I want to thank Chairman Waters and Chairman Frank and their exceptional staffs for working with me on this issue, and Congressman Alexander for his leadership with the Congressional Levee Caucus and all of our working group members. I look forward to enacting this legislation into law and will continue to work with the Subcommittee toward that goal.