



1 after Hurricane Zeta. As a result of Hurricane Zeta's severe impact, the following coastal  
2 parishes were offered Individual Assistance from FEMA: Jefferson, Lafourche, Orleans,  
3 Plaquemines, St. Bernard, and Terrebonne; and

4 WHEREAS, in August of 2021, Hurricane Ida struck the state of Louisiana. The  
5 Department of Insurance reported more than four hundred seventy-eight thousand residential  
6 property claims. As a result of Hurricane Ida's impact on the southeast region of Louisiana,  
7 the following coastal parishes were offered Individual Assistance from FEMA: Ascension,  
8 Assumption, East Baton Rouge, Iberia, Iberville, Jefferson, Lafourche, Livingston, Orleans,  
9 Plaquemines, Saint Bernard, Saint Charles, Saint James, Saint John the Baptist, Saint Martin,  
10 Saint Mary, Saint Tammany, Tangipahoa, Terrebonne, Washington, and West Baton Rouge;  
11 and

12 WHEREAS, FEMA updated the National Flood Insurance Program (NFIP) risk  
13 rating methodology through the implementation of a new pricing methodology called Risk  
14 Rating 2.0; and

15 WHEREAS, Risk Rating 2.0 leverages the insurance industry's best practices and  
16 cutting-edge technology to empower FEMA to deliver rates that are actuarially justified,  
17 equitable, easier to understand, and that better reflect a property's flood risk; and

18 WHEREAS, according to FEMA's "Risk Rating 2.0 Fact Sheet", FEMA contends  
19 that it undertook Risk Rating 2.0 because it is a transformational leap forward; and

20 WHEREAS, FEMA's "Risk Rating 2.0 Fact Sheet" suggests that Risk Rating 2.0  
21 empowers its agency to set rates that are impartial, fair, and actuarially justified, leading to  
22 rate increases and decreases that are equitable, and equipping the agency with the tools to  
23 address rating disparities by incorporating more flood risk variables that include flood  
24 frequency, multiple flood rates, and the distance to a water source along with property  
25 characteristics such as elevation and the cost to rebuild; and

26 WHEREAS, the Risk Rating 2.0 Transparency Act, introduced on March 1, 2023 in  
27 the One Hundred Eighteenth United States Congress, by Senator John Kennedy of Louisiana  
28 and cosponsored by Senator Cindy Hyde-Smith of Mississippi, requires FEMA to publish  
29 all data and methods used to prescribe chargeable premium rates for structures eligible for  
30 NFIP coverage; and

1           WHEREAS, the Flood Insurance Affordability Act, also introduced on March 1,  
2 2023 in the One Hundred Eighteenth United States Congress, by Senator John Kennedy of  
3 Louisiana and cosponsored by Senator Cindy Hyde-Smith of Mississippi, caps annual  
4 residential flood insurance premium insurance at nine percent instead of the current eighteen  
5 percent; and

6           WHEREAS, the Risk Rating 2.0 Transparency Act requires FEMA to create an  
7 online database that is available to policyholders under NFIP that provides each policyholder  
8 with information regarding the chargeable premium rate for the applicable property; and

9           WHEREAS, the Risk Rating 2.0 Transparency Act requires FEMA to complete and  
10 publish a comprehensive assessment of the economic and social impacts of implementing  
11 Risk Rating 2.0; and

12           WHEREAS, the Risk Rating 2.0 Transparency Act requires FEMA to publish, for  
13 every county or parish in the United States, the distribution of chargeable premium rates  
14 showing the median, mean, lower and upper quartiles, maximum amount, and minimum  
15 amount of chargeable premium rates; and

16           WHEREAS, although FEMA states that Risk Rating 2.0 is for the economic  
17 advancement of the insurance industry, the Legislature of Louisiana has concerns with the  
18 program; and

19           WHEREAS, the Legislature of Louisiana believes that Risk Rating 2.0 may lack  
20 transparency of data inputs and result in elevated structures seeing higher premiums; and

21           WHEREAS, the Legislature of Louisiana fears that Risk Rating 2.0 may result in an  
22 inability to predict flood insurance rates for new or code compliant structures and there may  
23 be a lack of access to data beyond the first year of the program; and

24           WHEREAS, it is the intention of the Legislature of Louisiana to ensure that  
25 homeowners who reside in the coastal parishes of the state of Louisiana are given fair,  
26 equitable, actuarially justified, and affordable flood insurance.

27           THEREFORE, BE IT RESOLVED that the Legislature of Louisiana does hereby  
28 memorialize the United States Congress to take such actions as are necessary to pass the  
29 Flood Insurance Affordability Act and the Risk Rating 2.0 Transparency Act to assist and  
30 benefit the citizens of the coastal parishes in the state of Louisiana.

1 BE IT FURTHER RESOLVED that a copy of this Resolution be transmitted to the  
2 presiding officers of the Senate and the House of Representatives of the Congress of the  
3 United States of America and to each member of the Louisiana congressional delegation.

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DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

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Kerner

Memorializes the U.S. Congress to take such actions necessary to pass the Flood Insurance Affordability Act and the Risk Rating 2.0 Transparency Act.