

# State of Vermont

## Senate Chamber



Montpelier, Vermont

### Joint Senate Resolution

By Senator Pollina,

**J.R.S. 37.** Joint resolution requesting the United States Congress to pass the Homeowners Flood Insurance Affordability Act.

*Whereas*, the National Flood Insurance Act of 1968 was enacted to provide previously unavailable flood insurance protection to property owners, and

*Whereas*, the National Flood Insurance Program continues to provide important and necessary property coverage for home and business owners throughout parishes, counties, and communities nationwide, and

*Whereas*, the Biggert-Waters Flood Insurance Reform Act of 2012 was signed into law on July 6, 2012 and calls for a revision of the flood insurance rate maps, and

*Whereas*, such revised flood insurance rate maps do not include the discounts granted by the current rate maps to property owners who have taken action to mitigate property damage by installing and maintaining flood control features, in conformity with the most current federal law available to them, and in conformity with current flood insurance rate maps, and

*Whereas*, countless property owners have built and purchased homes and businesses in accordance with the current flood rate insurance maps that, under the provisions of the Biggert-Waters Flood Insurance Reform Act of 2012, will soon enter obsolescence, and

*Whereas*, the act also includes provisions, located in Section 207 of the act, that eliminate the “grandfathering” of homes that were built after the existing flood insurance rate maps in accordance with then existing laws, and

*Whereas*, by purchasing homes and businesses in accordance with the provisions of the former flood rate insurance maps and by investing in previously owned property to install flood mitigation features, property owners relied on their strict compliance with federal and state law to protect their purchases and investments, and

*Whereas*, in light of the provisions of the Biggert-Waters Flood Insurance Reform Act of 2012, the reliance on existing flood insurance rate maps that those property owners demonstrated is now to their personal and financial detriment, and

*Whereas*, the passage of the Biggert-Waters Flood Insurance Reform Act of 2012 substantially and immediately devalued the investments made in all properties endowed with flood damage mitigation measures and to properties receiving subsidized insurance premium rates, and

*Whereas*, the Biggert-Waters Flood Insurance Reform Act of 2012 also includes provisions that permit the National Flood Insurance Program to increase premium rates for many policyholders, and

*Whereas*, the elimination of these discounts combined with the certainty of general premium rate increases will result in a premium increase of up to 25 percent per year for certain property owners over the next four years, and

*Whereas*, under the changes to the National Flood Insurance Program caused by the Biggert-Waters Flood Insurance Reform Act of 2012, property owners will struggle to pay exorbitant amounts of money or will lose their flood insurance, and

Whereas, a change in the ability of property owners to insure their homes from flood damage without bearing the burden of such a violent rise in cost may lead to financial distress for residents and property owners around this State and the entire nation, and

Whereas, the premium increases to the National Flood Insurance Program, as mandated by the Biggert-Waters Flood Insurance Reform Act of 2012, will affect the entire nation's real estate market and the nation's banking and mortgage industry, and

Whereas, the premium increases to communities and property owners who made their best efforts to comply with federal law by building property in accordance with soon-to-be-outdated flood insurance rate maps will affect consumer confidence and the entire nation's economy, and

Whereas, on October 29, 2013, H.R. 3370 and SB 1610, the Homeowner Flood Insurance Affordability Act of 2013, were introduced in the respective houses of Congress to delay the implementation of certain provisions of the Biggert-Waters Flood Insurance Reform Act of 2012, and

Whereas, the Biggert-Waters Flood Insurance Reform Act of 2012 provides that an affordability study be conducted by the Federal Emergency Management Agency (FEMA) on the impact of rate increases, and

Whereas, the Homeowner Flood Insurance Affordability Act of 2013 would delay the provisions of the Biggert-Waters Flood Insurance Reform Act of 2012 that provide for the increase of premium fees for policyholders of the National Flood Insurance Program, in order to prevent the unduly hazardous effects it will have on home and business owners who invested in property prior to the adoption of the new federal legislation and flood insurance rate maps, and

Whereas, Representative Maxine Waters (D. Calif), coauthor of the Biggert-Waters Flood Insurance Reform Act, released a statement saying she is "outraged by the increased costs of flood insurance premiums that have resulted from the Biggert-Waters Act. I certainly did not intend for these types of outrageous premiums to occur for any homeowner," and

Whereas, Waters, ranking member of the House Committee on Financial Services, said she is committed to fixing the "unintended consequences" of the 2012 law and passing legislation to delay most rate changes for three years "to give FEMA the opportunity to ensure its maps are accurate and allow Congress to make certain rates are affordable," *now therefore be it*

**Resolved by the Senate and House of Representatives:**

That the General Assembly supports and urges the United States Congress to pass the Homeowners Flood Insurance Affordability Act currently pending before Congress as H.R. 3370 and SB 12610, which will delay the implementation of the National Flood Insurance Program changes until two years after the Federal Emergency Management Agency completes the affordability study on the impact of the rate increases, *and be it further*

**Resolved:** That the Secretary of State be directed to send a copy of this resolution to the Administrator of the Federal Emergency Management Agency and to the Vermont Congressional Delegation.

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President of the Senate

Attested to:

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Speaker of the House

\_\_\_\_\_  
John H. Bloomer, Jr.  
Secretary of the Senate

Date:\_\_\_\_\_