

2023 Regular Session

HOUSE CONCURRENT RESOLUTION NO. 58

BY REPRESENTATIVES ZERINGUE, ADAMS, AMEDEE, BACALA, BAGLEY, BOURRIAQUE, BRASS, BROWN, BUTLER, CARPENTER, CARRIER, WILFORD CARTER, CORMIER, COUSSAN, COX, DUBUISSON, ECHOLS, EDMONDS, FARNUM, FIRMENT, FISHER, GADBERRY, GAINES, HARRIS, HILFERTY, HODGES, KERNER, MCFARLAND, MCKNIGHT, GREGORY MILLER, NELSON, ORGERON, ROMERO, SCHAMERHORN, SCHEXNAYDER, ST. BLANC, STEFANSKI, THOMPSON, TURNER, AND WILLARD

A CONCURRENT RESOLUTION

To urge and request the Department of Justice to seek all available, obtainable, and accessible means of legal relief, including but not limited to filing and initiating a civil proceeding against the Federal Emergency Management Agency (FEMA) to protect the interest of Louisiana citizens against FEMA's new pricing methodology and approach for the National Flood Insurance Program (NFIP) named Risk Rating 2.0.

WHEREAS, FEMA is updating the NFIP risk-rating methodology by implementing, employing, and creating Risk Rating 2.0; and

WHEREAS, FEMA alleges that Risk Rating 2.0 is a new, well-organized, efficient, and cutting-edge technology that will foster economic advances by enabling FEMA to deliver insurance rates that are actuarially justified, equitable, comprehensible, and that confer realistic property flood risks; and

WHEREAS, studies show that Risk Rating 2.0 places a catastrophic, calamitous, and cataclysmic effect on flood insurance rates across the state of Louisiana and increases insurance rates by four hundred percent which unfortunately allows FEMA to annually upsurge insurance rates by eighteen percent; and

WHEREAS, the increase in rates as a result of Risk Rating 2.0 threatens and undermines the ability of lower- and middle-class income homeowners within the state to purchase, afford, and obtain flood insurance coverage; and

WHEREAS, the increase in flood insurance policies may lead many homeowners to file for bankruptcy or foreclosure; and

WHEREAS, the damage that will result from any further implementation, application, or regulation of Risk Rating 2.0 will be detrimental to the housing industry's ability to build and sell affordable housing; and

WHEREAS, the implementation of Risk Rating 2.0 will lead to higher insurance rates, decrease the property value within this state, harm homeowners, decrease the property tax revenues generated by the state, the levee boards, and other state, local, and parish-wide governmental entities; and

WHEREAS, Risk Rating 2.0 will lead to diminution of the tax base of the state, the parishes, the levee boards, and other state and local governmental entities, leading to further loss in property tax revenues; and

WHEREAS, this loss of tax revenue will make it more difficult for the state, the parishes, the levee boards, and other governmental entities to provide adequate flood protection; and

WHEREAS, the enactment of Risk Rating 2.0 and the harm of potential higher insurance rates threaten the banking industry's investments in private and commercial mortgages across this state; and

WHEREAS, the application of Risk Rating 2.0 is detrimental to the housing industry, a potential side effect of higher flood insurance is the foreclosure of homes, and there is no guarantee that banks will be able to resell these homes; and

WHEREAS, members of the Louisiana Legislature and other state government, members of Louisiana's congressional delegation, numerous parish presidents and their councils, members of Louisiana's levee boards, and many other entities in Louisiana and around the nation have repeatedly raised these concerns to FEMA, have asked FEMA for documentation showing FEMA's underlying methodology, and have been passed from one federal office to the next without receiving any meaningful answers to their questions or any documents showing FEMA's underlying methodology; and

WHEREAS, FEMA has denied the efforts of Louisiana's legislators and other elected officials to protect the state's interests, the interests of Louisiana citizens, and the interests of many Louisiana industries by making what is supposed to be "Equity in Action" an inequitable program across the entire state of Louisiana.

THEREFORE, BE IT RESOLVED that the Legislature of Louisiana does hereby urge and request the Department of Justice for the state of Louisiana to assess, pursue, and seek all available means of legal relief from Risk Rating 2.0, including but not limited to filing a lawsuit against FEMA.

BE IT FURTHER RESOLVED that a copy of this Resolution be transmitted to the Department of Justice.

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SPEAKER OF THE HOUSE OF REPRESENTATIVES

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PRESIDENT OF THE SENATE