

2025 Regular Session

HOUSE RESOLUTION NO. 291

BY REPRESENTATIVES KERNER AND FIRMENT

INSURANCE: Memorializes the United States Congress to end Risk Rating 2.0 and to take certain other necessary actions to alleviate the financial burden of flood insurance

1 A RESOLUTION

2 To memorialize the United States Congress to take such actions as are necessary to pass the
3 Flood Insurance Affordability Act, the Risk Rating 2.0 Transparency Act, and the
4 Flood Insurance Affordability Tax Credit Act, and to end the Federal Emergency
5 Management Agency's (FEMA's) Risk Rating 2.0 methodology to alleviate the
6 financial burden of flood insurance on citizens who reside in the coastal parishes of
7 Louisiana and across the United States.

8 WHEREAS, for years, the state of Louisiana has been at the heart of an insurance
9 crisis that has led to homeowners in the coastal parishes being obliged to pay exorbitant,
10 excessive, and expensive flood insurance premiums; and

11 WHEREAS, in August of 2020, Hurricane Laura struck the state of Louisiana. The
12 Department of Insurance reported more than one hundred seventy-seven thousand residential
13 property claims, resulting in Individual Assistance from FEMA for the coastal parishes of
14 Acadia, Calcasieu, Cameron, Jefferson Davis, and Vermilion; and

15 WHEREAS, in October of 2020, Hurricane Delta struck the state of Louisiana. The
16 Department of Insurance reported more than eighty-nine thousand residential property
17 claims, resulting in Individual Assistance from FEMA for the coastal parishes of Acadia,
18 Calcasieu, Cameron, Iberia, Jefferson Davis, Lafayette, Saint Martin, and Vermilion; and

19 WHEREAS, in October of 2020, Hurricane Zeta struck the state of Louisiana. The
20 Department of Insurance reported more than fifty-six thousand residential property claims,

1 resulting in Individual Assistance from FEMA for the coastal parishes of Jefferson,
2 Lafourche, Orleans, Plaquemines, St. Bernard, and Terrebonne; and

3 WHEREAS, in August of 2021, Hurricane Ida struck the state of Louisiana. The
4 Department of Insurance reported more than four hundred seventy-eight thousand residential
5 property claims, resulting in Individual Assistance from FEMA for the coastal parishes of
6 Ascension, Assumption, East Baton Rouge, Iberia, Iberville, Jefferson, Lafourche,
7 Livingston, Orleans, Plaquemines, Saint Bernard, Saint Charles, Saint James, Saint John the
8 Baptist, Saint Martin, Saint Mary, Saint Tammany, Tangipahoa, Terrebonne, Washington,
9 and West Baton Rouge; and

10 WHEREAS, in April of 2023, FEMA finished updating the National Flood Insurance
11 Program (NFIP) risk rating methodology through the implementation of a new pricing
12 methodology called Risk Rating 2.0; and

13 WHEREAS, despite FEMA's claims, Risk Rating 2.0 has led to significant premium
14 increases for low- and middle-income families, with estimates suggesting that approximately
15 one-fifth of NFIP policyholders may be forced to drop coverage over the next ten years,
16 potentially leading to an actuarial death spiral that threatens the program's sustainability; and

17 WHEREAS, many homeowners in coastal Louisiana parishes have invested
18 significant sums to elevate their homes and reduce flood risk and have still seen their
19 premiums nearly double under Risk Rating 2.0, undermining the financial benefits of
20 mitigation efforts; and

21 WHEREAS, the Legislature of Louisiana has significant concerns with Risk Rating
22 2.0, including its lack of transparency in data inputs, failure to deliver promised premium
23 reductions for mitigated structures, unpredictability for new or code-compliant structures,
24 and potential to render flood insurance unaffordable for many families; and

25 WHEREAS, the Risk Rating 2.0 Transparency Act, introduced on March 1, 2023,
26 in the One Hundred Eighteenth United States Congress by Senator John Kennedy, requires
27 FEMA to publish all data and methods used to prescribe chargeable premium rates, create
28 an online database for policyholders to access premium rate information, conduct a
29 comprehensive assessment of the economic and social impacts of Risk Rating 2.0, and
30 publish premium rate distributions for every county or parish in the United States; and

1 WHEREAS, the Risk Rating 2.0 Transparency Act has failed to move through the
2 U.S. Senate, despite the fervent advocacy of Senator John Kennedy and Senator Bill
3 Cassidy; and

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

8 WHEREAS, the Flood Insurance Affordability Tax Credit Act, introduced on
9 February 13, 2025, in the One Hundred Nineteenth United States Congress by Senator Bill
10 Cassidy, provides a thirty-three percent refundable tax credit to low- and middle-income
11 households enrolled in the NFIP to offset rising flood insurance premiums, directly reducing
12 the financial burden at the time of payment; and

13 WHEREAS, flooding is a national issue, with at least one hundred sixty-six
14 Americans across thirteen states killed in 2024 due to floods and storms, and millions more
15 affected by power outages or evacuations, highlighting the need for an affordable and
16 sustainable NFIP for all fifty states; and

17 WHEREAS, the NFIP, as the primary source of flood insurance for many
18 communities, must be reformed to ensure affordability, accountability to taxpayers, and
19 sustainability for future generations; and

20 WHEREAS, the Legislature of Louisiana supports efforts to end Risk Rating 2.0, as
21 advocated by Senator Bill Cassidy, who previously worked with the Trump administration
22 in 2019 to delay its implementation due to transparency concerns; and

23 WHEREAS, it is the intention of the Legislature of Louisiana to ensure that
24 homeowners in the coastal parishes of Louisiana and across the United States have access
25 to fair, equitable, actuarially justified, and affordable flood insurance.

26 THEREFORE, BE IT RESOLVED that the Legislature of Louisiana does hereby
27 memorialize the United States Congress to take such actions as are necessary to pass the
28 Flood Insurance Affordability Act, the Risk Rating 2.0 Transparency Act, and the Flood
29 Insurance Affordability Tax Credit Act, and to end FEMA's Risk Rating 2.0 methodology

1 to assist and benefit the citizens of the coastal parishes in the state of Louisiana and all
2 Americans.

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

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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Memorializes the U.S. Congress to take necessary actions to pass the Flood Insurance Affordability Act, the Risk Rating 2.0 Transparency Act, and the Flood Insurance Affordability Tax Credit Act, and to end the Risk Rating 2.0 methodology of the Federal Emergency Management Agency (FEMA).