

June 21, 2013

Northshore Harbor Center, Slidell, LA

Scalise NFIP Update

Notes from the meeting update on the National Flood Insurance Program hosted by Congressman Steve Scalise, The Chamber of Commerce, The Northshore Harbor Center, GNO, Inc. and others.

Out of just over 100 attendees, about 50% were made up of those involved in housing, i.e., Realtors, Insurance Agents, Bankers, etc. Attendees were concerned with economic collapse due to unaffordable NFIP rates.

Michael Hecht, with GNO, Inc., did the bulk of the presentation. He pointed out that flood insurance is a national problem as most residents of the United States live near water. Louisiana is the first state to feel the effects of rising flood insurance rates but that will ripple to the rest of the country over the coming year. Once this was pointed out to congressmen in other parts of the country they now get the message and are working together towards achieving an amicable solution to the problem.

Mr. Hecht pointed out that even considering the claims paid following Katrina, that had the US Treasury not siphoned off excess accumulated funds over the years, that the NFIP would not only still be solvent but would have excess funds on hand. (Sounds just like what happened to our Social Security program.)

It was said that we should not “jump ship”, that the problem with the NFIP will be made palatable for the majority of Louisiana residents.

I turned in a comment card with La. Senator, AG Crowe’s suggestion as follows:

When you contact your congressman, please suggest nationwide multi-peril legislation that would provide protection for millions of Americans, enlarge the insured pool and reduce the overall cost to everyone in the program. Examples of perils include ice and snow storms/blizzards in the north, hurricanes in the south and eastern seaboard, earthquakes and wild fires in the west, tornadoes in the mid-west. This approach would bring in congressmen from at least 40 states and could be our best chance of keeping the cost of flood insurance at a reasonable and affordable rate.

This was not addressed, I presume because the topic was limited to the NFIP.

I had a short presentation prepared (posted at www.eiho.org/fpc) should the opportunity have presented itself but the big turnout and variety of panelist / speakers made it inappropriate for the time available. However, I did turn it in as a comment. It was the first one read, but only the last paragraph as it applied to reducing flood insurance cost by reducing exposure.

It is time the Corps admit they screwed up and wasted many billions of taxpayer dollars by not building surge control structures at the inlets to Lake Pontchartrain. I know it must be terribly embarrassing, but it is time to stop the cover up and do what is right. This issue is never going to go away and it must and will be built at some point. Let’s do it now and stop the waste and suffering.

Scalise directly addressed this and stated we would not have been flooded by Katrina if these structures had been in place. He went on to say the environmental issues would no longer be an obstacle and that this project continues to be pursued.

... Lee Longstreet, Eden Isles Homeowners Association - special projects committee

References of interest and additional publications:

<http://www.gnoinc.org/floodinsurance>

www.eiho.org/fpc