

RESOLUTION NO. 202 - 2019

A RESOLUTION OF THE BOARD OF COUNTY COMMISSIONERS OF MONROE COUNTY, FLORIDA URGING THAT ANY REAUTHORIZATION OF THE NATIONAL FLOOD INSURANCE PROGRAM MUST INCLUDE MEANINGFUL AFFORDABILITY PROTECTIONS FOR ALL POLICY HOLDERS, SPECIFICALLY A LOWER CAP ON ANNUAL INCREASES; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, flooding is the number one natural disaster in the United States; and

WHEREAS, the National Flood Insurance Program (“NFIP”) is a program created by Congress to mitigate future flood losses across the United States, by providing access to affordable flood insurance protection for property owners and to provide an insurance alternative to disaster assistance to meet the increasing costs of repairing damage to buildings and their contents caused by floods; and

WHEREAS, the NFIP must be reauthorized by Congress every five years. The current authorization expired on September 30, 2017. Since then, Congress has authorized numerous short-term extensions of the program, with the most current extension set to expire on September 30, 2019; and

WHEREAS, the NFIP maintains a significant role in providing financial protection against flood events to Florida’s and Monroe’s residential and commercial property owners; and

WHEREAS, the State of Florida has the highest number of NFIP policies, with over 1.7M policies and 35% of the national portfolio; with the highest insured value at \$442B; and the highest annual premiums paid at \$976M; and

WHEREAS, Monroe County has 31,000 NFIP policy holders, \$7.5B in insured value and pays \$38M in annual premiums; and

WHEREAS the Monroe County Commission has long supported the protection of affordability as its number one reauthorization priority, recognizing it as (1) a critical pocketbook issue for our residents and business owners, (2) an important component of affordable housing, and (3) a significant factor in our community’s property values and tax base; and

WHEREAS, on June 12, 2019, the House Financial Services Committee unanimously passed legislation to reauthorize and reform the NFIP, known as H.R. 3167; and

WHEREAS, H.R. 3167 does not sufficiently protect affordability for all of its Monroe County’s NFIP policyholders; and

WHEREAS, H.R. 3167 proposes only a narrow, means-tested approach to affordability by establishing a 5-year pilot program for primary home-owning policy holders who are at 80% AMI. For these policyholders, the maximum chargeable premium rate will not exceed 2% AMI; and

WHEREAS, for all other policy holders, H.R. 3167 maintains the current, steep, annual premium increases of 18% for primary homes and 25% for commercial properties and second homes established in 2014; and

WHEREAS, robust affordability protections are further warranted by FEMA’s new Risk Rating 2.0 pricing policy, to go into effect in October 2020; and

WHEREAS, Risk Rating 2.0 will dramatically change the way FEMA prices NFIP policies by accounting for (1) a structure’s distance to the water, (2) exposure to different types of flood risk (storm surge, intense rainfall, etc.) and (3) the cost to rebuild – all factors that will inevitably subject high cost, coastal communities like Monroe County to higher premiums; and

WHEREAS, H.R. 3167 does not account for the upward pressures on NFIP premiums from Risk Rating 2.0, or FEMA’s remapping efforts currently underway in Monroe County; and

WHEREAS, the Monroe County Commission believes that the caps on current annual increases (18% on primary residences and 25% on rental properties, commercial properties and second homes) are unsustainable for NFIP policy holders and that a lower cap, providing a more gradual and reasonable glide path of increases, provides greater economic stability and fairness; and

WHEREAS, the Monroe County Commission believes it is imperative that Congress include in any reauthorization legislation a significantly lower cap on annual percentage increase for premiums, and specifically supports 5% cap on annual increases for all NFIP policyholders, on all properties;

NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF MONROE COUNTY, FLORIDA:

1. The above recitals are hereby incorporated into this resolution as restated herein constitute the legislative findings and intent of the Board of County Commissioners of Monroe County, Florida.
2. The Clerk for this Board shall furnish copies of this resolution to:
 - U.S. Senator Marco Rubio
 - U.S. Senator Rick Scott
 - U.S. Representative Debbie Mucarsel-Powell, District 26
 - U.S. Representative Maxine Waters, House Financial Services Committee Chair

PASSED AND ADOPTED by the Board of County Commissioners of Monroe County, Florida, at a regular meeting held on the 17th day of July, 2019.



Mayor Sylvia Murphy	Yes
Mayor Pro Tem Danny Kolhage	Yes
Commissioner Michelle Coldiron	Yes
Commissioner Heather Carruthers	Yes
Commissioner David Rice	Yes

FILED FOR RECORD
 2019 JUL 18 PM 3:05
 CLERK OF COURT
 MONROE COUNTY, FLORIDA

ATTEST: KEVIN MADOK, CLERK

By: Kevin Madok
Deputy Clerk

BOARD OF COUNTY COMMISSIONERS OF MONROE COUNTY, FLORIDA

BY: Sylvia J. Murphy
Mayor Sylvia Murphy

MONROE COUNTY ATTORNEY APPROVED AS TO FORM:

Robert B. Shillinger, Jr.
COUNTY ATTORNEY
Date 7-18-19