April 18, 2008

The Honorable Richard Durbin
309 Hart Senate Office Building
Washington DC 20510

Dear Senator Durbin:

The Illinois Association for Floodplain and Stormwater Management (IAFSM) represents over 600 floodplain managers, engineers, local officials, insurance agents, and state and federal agency staff. IAFSM was founded in 1986 and has grown to be one of the largest state floodplain associations in the nation. We are the day-to-day practitioners of sound floodplain management in Illinois.

Illinois has the largest inland system of rivers, lakes, and streams in the nation and floods account for over 98% of the state’s declared disasters. Nationwide, only three other states have more communities participating in the National Flood Insurance Program (NFIP) than Illinois. For these reasons, the IAFSM is very concerned with the current NFIP Reform Bill (S.2284 PCS). We provide the following comments:

Provisions SUPPORTED by the IAFSM:

- Phasing in actuarial flood insurance premium rates for non–primary residences and non-residential properties. Many of the most flood prone structures in Illinois are located on land which has been leased from the U.S. Army Corps of Engineers. These structures alone account for flood insurance claims in the tens-of-millions. These cabins and other non-primary structures should be rated with actuarially sound flood insurance premiums.

- Allowing increases in NFIP premiums from 10% to 15%. The NFIP is currently $17 billion in debt. Premium increases and debt forgiveness are necessary to keep the program solvent.

- Expanding areas shown on the floodplain maps to include residual risk areas such as those flood prone areas located behind levees and downstream of dams and encouraging mandatory purchase of flood insurance in those areas. Many of Illinois’ existing levees are old and at risk of failure. We applaud the Senate’s efforts to encourage flood insurance coverage in these areas.

- Increasing funding for floodplain mapping at $400 million per year through 2013. Risk identification is a key component of the NFIP. New and improved mapping keeps citizens aware of areas of flood risk.

- Re-establishing the Technical Mapping Advisory Council.
Provisions **NOT SUPPORTED** by the IAFSM:

- Adding wind coverage to the NFIP. This provision which was included in the House Version of the NFIP Reform Bill is perhaps the most damaging provision in the bill. It has received widespread disapproval from floodplain managers, the lending industry, the insurance industry, taxpayer groups, and Congressional watch groups. Wind coverage is currently covered by the private sector. Government involvement in wind coverage will do nothing more than ultimately lead to failure of the NFIP.

- Suspending the adjustment of flood insurance rates based on updated floodplain maps until such maps are completed for the entire Corps of Engineers District affected by the map. This provision has major negative impacts for Illinois and other states in the nation where large populations believe they are protected by levees, and those levees currently do not meet public safety standards. Congress should NOT be in the business of discouraging flood insurance coverage in areas of known flood risk! This provision is nothing short of irresponsible.

We at IAFSM applaud the Senate’s efforts to make the NFIP stronger. However, we hope that the Senate will seriously consider these concerns from those of us who are experts in the field and work daily with the National Flood Insurance Program.

Sincerely,

E. Stuart Richter, CFM, Chair

Illinois Association for Floodplain and Stormwater Management