Rethinking the NFIP

After more than a decade of seeking input, identifying issues and conducting studies, FEMA believes that the time has come to undertake a critical review of the NFIP. With Congress considering significant reform of the program, FEMA is prepared to assist decision-makers by providing a comprehensive analysis that will both address issues of immediate concern and establish a solid foundation for the NFIP’s future.

FEMA established the NFIP Reform Working Group to identify and analyze options for the future of the NFIP. This internal work group is a cross-section of the Federal Insurance and Mitigation Administration.

Why is FEMA undertaking this effort now?

Who will be conducting the analysis?

What process will FEMA use in this analysis?

FEMA is engaged in a comprehensive effort to address the concerns of the wide array of stakeholders involved in an ongoing dialog about the National Flood Insurance Program (NFIP). The initiative is a multi-staged process designed to engage stakeholders and consider the largest breadth of public policy options. FEMA believes this important process will ensure the program can efficiently and effectively meet the needs of the public. The results of this analysis will inform decisions regarding the future of the NFIP.

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There are three phases of the process:

**Phase I** Capture stakeholder concerns and recommendations from the NFIP Listening Session. *Completed*

**Phase II** Create the NFIP Reform Working Group to conduct additional analyses of stakeholder feedback, develop the evaluation criteria, and create a portfolio of public policy alternatives. *Underway*

**Phase III** Evaluate public policy alternatives using criteria developed in Phase II.
Phase I began with the NFIP Listening Session. The analysis of comments culminated in a report titled, “Content Analysis of Breakout Session Comments.” Phase I concluded with release of a final report entitled “NFIP Stakeholder Listening Session: Findings and Next Steps.”

Phase II began in March 2010 with the formation of the NFIP Reform Working Group. The Working Group will conclude its initial analysis in May 2010.

Phase III will begin June 2010 and will last 18 to 24 months. The effort will result in a comprehensive NFIP reform package that will be delivered to Congress.

The Working Group will consider the analysis, input and advice collected in recent years. In addition to input gathered from the Listening Session, other resources will include:

- Call for Issues Status Report, (June 2000);  
- Evaluation of the National Flood Insurance Program reports (2006);  
- Reports by the Government Accountability Office (GAO); and  
- Review and analysis of scholarly works.

The NFIP reform effort will consider initiatives internal to FEMA and across the Federal government. Examples include:

- The White House Long-Term Disaster Recovery Working Group;  
- The Federal Inter-Agency Floodplain Management Task Force;  
- The White House Task Force on Climate Change Adaptation;  
- Updated Principals and Guidelines for Water and Land Related Resources Implementation Studies; and  
- The review and update of the Executive Order 11988 – Floodplain Management.

FEMA will provide opportunities for comment and feedback to stakeholders throughout the process.

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1. Available from the FEMA website at: [http://www.fema.gov/business/nfip/nfip_listening_session.shtm](http://www.fema.gov/business/nfip/nfip_listening_session.shtm)
2. The “NFIP Call For Issues Status Report, June 2000” can be retrieved through the FEMA library at: [http://www.fema.gov/library/viewRecord.do?id=3082](http://www.fema.gov/library/viewRecord.do?id=3082)