



NCOIL Summer 2021 Meeting Presentation

Boston, MA July 15, 2021

Roderick Scott, CFM

Board Chair - FMIA

THANK YOU



**FEDERAL ASSOCIATION
FOR INSURANCE REFORM**



Since 1980 - 265 weather and climate related events that have each cost \$1 billion dollars or more in damages



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FEMA NFIP RESIDENTIAL ACTUARIAL RISK RATES COMPARISON

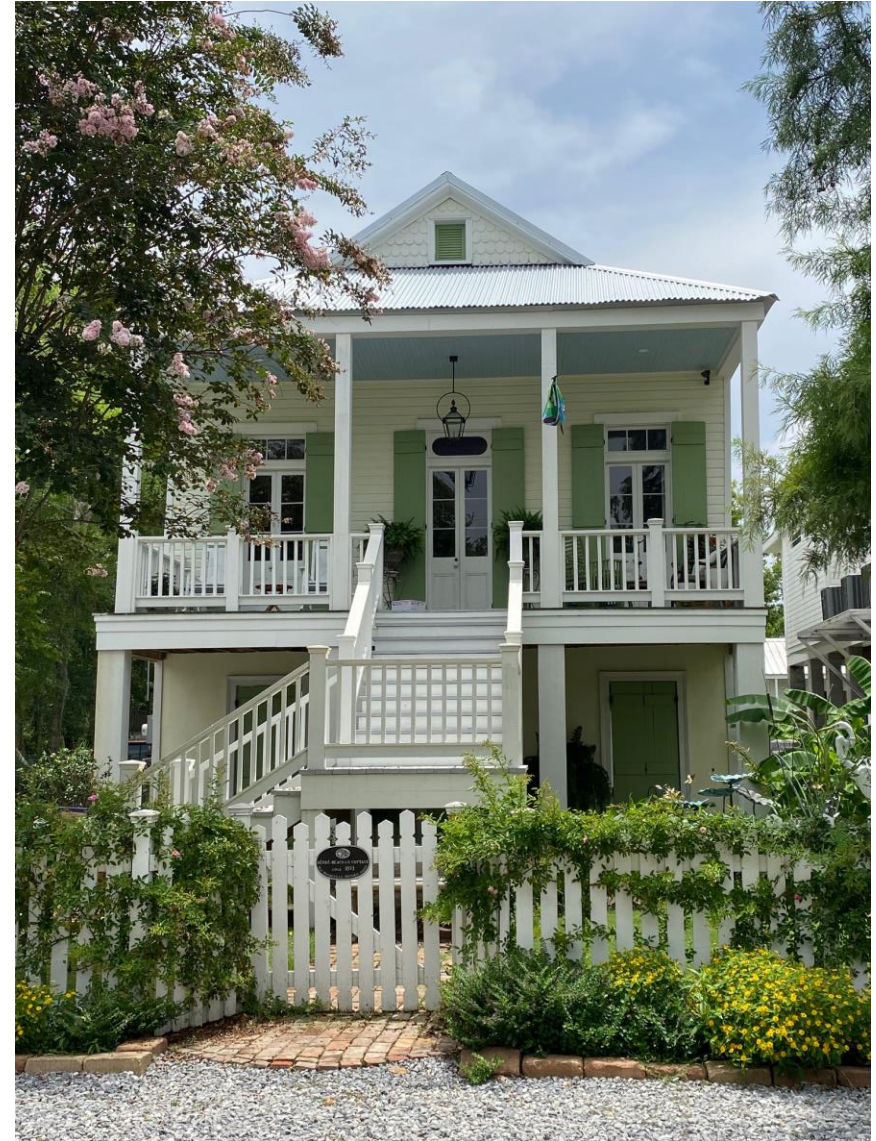


Insurance rates rising rapidly

MITIGATION REDUCES RISK



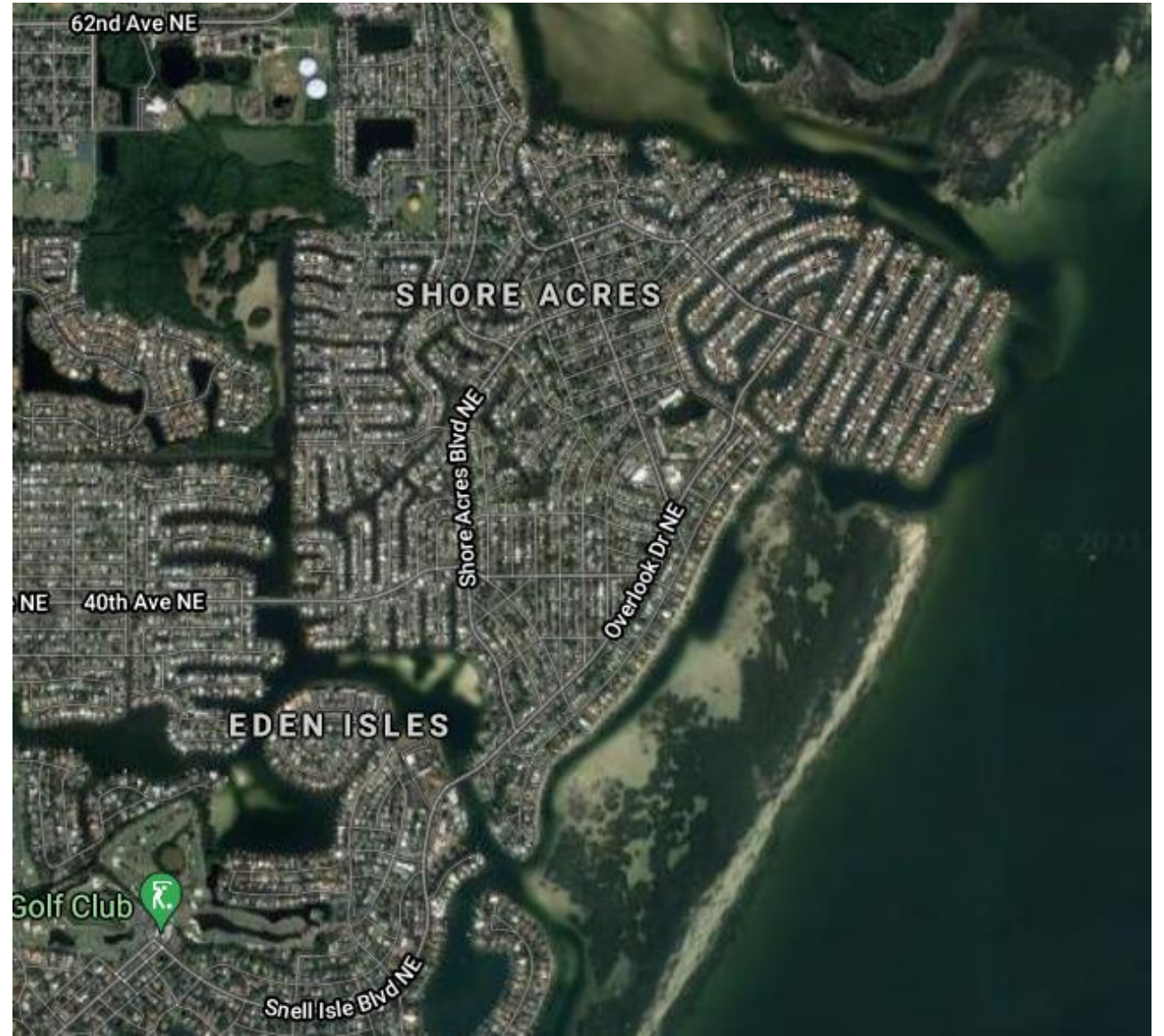
BEFORE



AFTER

NEED FOR FINANCING

- 3 - 4 million older high flood risk buildings in US flood zones
- Banks estimate asset value of \$1.5 trillion
- Flood Mitigation Industry retro fit adaptation elevation/wet-dry flood proofing cost estimate \$600 billion. Jobs-Jobs-Jobs



THE PROMISE

IN MAY 2019 THE FLOOD MITIGATION INDUSTRY WAS INVITED TO ATTEND A CLOSED MEETING OF STAKEHOLDERS AT THE TREASURY BUILDING. DURING THE MEETING WE RE-ASSURED THE ATTENDEES THAT IF FINANCING WAS MADE AVAILABLE, THAT WE WOULD BE ABLE TO KEEP UP WITH DEMAND



THE PROMISE

AT THE END OF THE MEETING
THE BANKS TOLD THE
TREASURY THAT IF A
REVOLVING LOAN BECAME
LAW, THAT THEY COULD LOAN
THE FEDERAL GOVERNMENT
THE \$600 BILLION THE
BUILDING OWNERS WILL
NEED TO FLOOD HAZARD
MITIGATE THE 3-4 MILLION
BUILDINGS



STORM ACT – RESILIENCE REVOLVING LOAN PROGRAM BECOMES LAW 1/1/2021

- NOW WE MUST CREATE STATE “RESILIENCE REVOLVING LOAN PROGRAM” MODEL LEGISLATION IN ORDER FOR STATES TO CREATE THEIR OWN **RESILIENCE REVOLVING LOAN PROGRAMS** AND TO ENABLE THEM TO BRING DOWN THE FEDERAL APPROPRIATED AND PRIVATE LOAN FUNDS.
- WE MUST CREATE A RESTRICTED FUND WITHIN THE LOAN PROGRAM TO ISOLATE THE BANKS FUNDS SO THAT THOSE FUNDS DO NOT GET RE-DIRECTED TO TRADITIONAL “INFRASTRUCTURE” PROGRAMS. THE BANKS DO NOT MAKE LOANS FOR INFRASTRUCTURE AND IF THE LOAN FUNDS THE BANKS PROVIDE ARE NOT ISOLATED/RESTRICTED, THEY MAY NOT PROVIDE THE REQUIRED CAPITAL FOR US TO GET THE NATION’S BUILDINGS SAFE FROM NATURAL DISASTERS.

TODAY'S PRESENTORS

- **MISSISSIPPI RIVERS AND TOWN'S INITIATIVE – MRCTI.** This organization and its members drove the initiative to get the STORM Act passed. Presenting is Executive Director Colin Wellenkamp
- **MD - SENATOR Katie Fry-Hester,** sponsor of the 2021 legislation that created the MD State Revolving Loan Program, a cornerstone of our draft state model legislation
- **Tom Little – VP Floodproofing.com** a leading company in the flood mitigation industry



F M I A

Flood Mitigation Industry Association



QUESTIONS

PLEASE VOTE YES