

June 8, 2026

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Submitted via email to [FEMAreviewcouncil@hq.dhs.gov](mailto:FEMAreviewcouncil@hq.dhs.gov)

**Re: Department of Homeland Security docket DHS-2026-0067; FEMA Review Council Final Report**

Dear Mr. Miron:

The National Flood Association (NFA), a national non-profit trade organization that supports the interests of the flood risk management community, appreciates the opportunity to contribute to the public discourse surrounding the recommendations included in the Federal Emergency Management Agency (FEMA) Review Council's ("the Council") [final report](#), published and submitted to the President of the United States on May 7, 2026.

The NFA is committed to promoting a stronger and more sustainable flood insurance framework that protects taxpayers, policyholders, and communities. We thank the Council for its comprehensive evaluation of federal disaster preparedness and response, particularly regarding flood risk and the National Flood Insurance Program (NFIP).

The NFA has extolled the importance of ensuring that the NFIP remains financially sustainable, responsive to policyholders, and resilient in the face of increasing flood risk. As such, we express our support and offer comments on the following recommendations of the Council's final report:

1. Shift towards greater private market participation in covering flood risks, and that any such transition should be gradual, realistic and financially supported. In any transition to greater voluntary market participation, there is still a meaningful and permanent role for the NFIP as a provider of flood insurance.
2. Adequate funding for modernization and enhancement of flood mapping capabilities.
3. A sustainable "Write Your Own" (WYO) compensation structure.
4. Increased state responsibility in disaster response with appropriate federal support mechanisms.
5. Continued movement toward risk-based pricing within the NFIP.

## 1) Realistic Shift from the NFIP to a Larger Private Flood Insurance Market

The existing flood insurance market structure supports various scenarios whereby individual flood risks could transfer from the NFIP to the private market. However, the risks and considerations inherent in any such transition vary widely between an organic migration of risks to the voluntary market and an intentional and directed depopulation of the NFIP. We emphasize the statement in the final report that, “*Depopulation programs have historically been state-based so applying this approach at the federal level will require careful evaluation of operational, regulatory, and consumer protections*”, (page 49). Any depopulation effort involving NFIP policies would be groundbreaking with respect to the coordination required between federal and state officials. State departments of insurance are well-equipped to manage transitions of residual market programs to the voluntary market and repeatable models exist in the experience of several states.<sup>1</sup> Additionally, while the appetite for flood risk within the private market is expanding, this expansion is not infinite, will vary by geographies, and will change over time. We do not see expansion of the private flood market occurring as rapidly as described in the Council’s report.

Any intentional transition to the private market will require a long-term roadmap with measurable milestones and expanded data-sharing initiatives between FEMA and private carriers. The current glidepath to full actuarial rates for some policyholders and any affordability mechanisms in place for vulnerable populations are also factors that will complicate a shift to the private market.

## 2) Modernizing Flood Mapping and Risk Identification

NFA supports FEMA’s national flood mapping program as foundational to flood hazard identification. This centralized flood mapping program helps to ensure a minimum standard of consistency, data, currency, and methodology across the states, tribal communities, and territories. The current mapping program is also central to enabling enforcement of the mandatory purchase obligations related to federally backed mortgages.

As FEMA and policymakers consider recommendations related to updating FEMA’s risk identification process, it is important to recognize that flood mapping and flood insurance are distinct programs serving distinct purposes. While private insurers may develop sophisticated risk models to serve their policyholders, these models do not fulfill the public regulatory function that federal flood maps serve (i.e.: community planning, building standards, and lender obligations).

A substantial number of federal flood maps predate modern data standards, and many communities lack any mapped flood hazard at all. Additionally, flood losses continue to occur outside designated high-hazard zones. The Technical Mapping Advisory Council (TMAC), authorized

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<sup>1</sup>Recent examples of state-managed transitions of residual market policies to the voluntary market include [Louisiana Citizens Property Insurance Corporation](#), [Texas Windstorm Insurance Association \(TWIA\)](#), [California FAIR Plan Clearinghouse](#), and [Florida Citizens Insurance Program](#).

under the Biggert-Waters Flood Insurance Reform Act of 2012<sup>2</sup>, produced detailed recommendations for addressing gaps in flood risk identification and modernizing the federal flood maps. The NFA encourages FEMA and policymakers to build upon the work of the TMAC to ensure the mapping program adequately reflects current and future flood risk.

While states, regions, local governments, or private industry may choose to develop and maintain additional flood hazard or flood risk data for their stakeholders, the nation needs a federal program that is based on the latest science and relies upon the latest technology. Therefore, while NFA supports (and encourages) development of additional risk identification measures, we also encourage full funding and modernization of the federal mapping program to ensure a baseline exists that supports stakeholder obligations mandated through the Flood Disaster Protection Act<sup>3</sup>.

### **3) Sustainable and Realistic WYO Compensation Structure**

The Council's report includes a recommendation to revise "Write Your Own" (WYO) compensation to reduce overall administrative costs. Within the unique structure of the NFIP business model, the WYO partners are integral in providing the infrastructure required for policy underwriting, issuance, servicing, and claims administration. A stable, realistic expense allowance is necessary to sustain these functions and ensure consistent program delivery. As the NFIP continues to evolve - through ongoing reforms and operational changes - any further reductions to WYO partners' allowance risk weakening the program's overall operational effectiveness. WYO compensation must be sufficient to ensure partners can continue to invest in the new technologies and capabilities necessary to keep pace with program changes.

Additionally, the NFA encourages FEMA and policymakers to consider the impacts of both rate stabilization and efforts to depopulate the program prior to making any adjustments to WYO compensation. Current efforts to stabilize the NFIP through an improved rating methodology (specifically Risk Rating 2.0) will continue to improve the solvency of the NFIP. Current imbalances in the dual mission of affordability and actuarial soundness should not be interpreted as excessive WYO compensation. In addition, efforts to move risks to the private market could decrease the scale of operations for some WYO participants. This reduction of policies in force could impact the ability of WYOs to cost-effectively fulfill their duties under the program.

### **4) Federal and State Partnerships for Disaster Response and Recovery**

The NFA agrees with the Council's recommendation to preserve and modernize the federal government's response to disasters. NFA members (which include WYO carriers and independent claims adjusters) have extensive experience in responding to flooding events and working with state, local, tribal and territorial officials in addition to FEMA resources. In this experience, we have learned that states vary greatly in their ability to prepare for, and respond to, major disasters.

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<sup>2</sup> [Biggert-Waters Flood Insurance Reform Act of 2012, 42 U.S.C. § 4004](#)

<sup>3</sup> [Flood Disaster Protection Act, Pub. L. No. 93-234, 87 Stat. 975 \(1973\)](#)

Accordingly, any future framework for greater state participation must preserve the balance between federal and state resources, especially for those states that do not have the scale or experience to manage a major event.

The NFA would support a tiered response whereby states could undertake an expanded role for preparedness with FEMA continuing to serve as a strategic partner and backstop. Large scale disaster events are likely to overwhelm even the most well-prepared states, necessitating not only a federal response, but a framework for how that response should be measured. Any move towards state responsibility should be commensurate with objective thresholds for federal assistance.

### **5) Support for Risk-Based Pricing within the NFIP**

The NFA agrees with the Council’s recommendations to modernize risk assessment within the program and implement risk-based pricing (specifically Risk Rating 2.0). Accurate pricing of flood risk promotes transparency and allows stakeholders to understand the risk factors impacting their flood insurance premiums. Proper risk-based pricing also strengthens the long-term financial sustainability of the NFIP, thereby reducing the burden to taxpayers for the program’s historical insolvency. True risk-based pricing also encourages mitigation and promotes more informed development decisions.

More importantly, the policymakers should consider how rate subsidization and suppression of full actuarial rates impact the program’s solvency. As pointed out by the Council, there are conflicting objectives and unless affordability for consumers is considered separately from solvency, the NFIP will struggle to achieve either objective very well. The NFA urges the adoption of full risk-based rates in addition to a separate and distinct program for affordability<sup>4</sup>. Congress could further strengthen this approach by establishing an independent audit mechanism – modeled on analogous state insurance rate validation systems – to verify the accuracy of full-risk rates and provide greater public confidence in the NFIP.

### **Summary**

A resilient national flood insurance framework requires accurate risk information, sustainable program administration, appropriate pricing, robust public-private partnerships, and coordinated federal, state, and local engagement. The NFA stands ready to support these objectives and to help ensure that flood protection remains available, affordable, and sustainable for future generations.

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<sup>4</sup> “One of the NFIP’s most persistent challenges arises from its dual mandates to maintain solvency through the application of actuarially sound rates while also ensuring affordability for consumers who need it. Repeated budgetary shortfalls have shown that the NFIP’s current premiums are insufficient to cover its incurred losses and administrative expenses.” ([National Flood Association Response to Senators Cassidy and Booker, RFI on NFIP](#), 2025).

The NFA appreciates policymakers' ongoing interest in the long-term viability of the NFIP, a vital program on which millions of property owners rely. We remain committed to supporting the continued efforts to review and reform FEMA and the NFIP. Should you have questions or interest in sharing feedback, please reach out to me and to our leadership at [info@nfaflood.com](mailto:info@nfaflood.com).

Sincerely,



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