Audience Questions from CSFI & NFA co-hosted webinar: "Increasing Flood Protection for At-Risk Properties: Perspectives & Recommendations from the GAO", October 29, 2026

The following questions were asked during the live webinar with staff of The U.S. Government Accountability Office (GAO) as they presented the findings and recommendations from their latest report on flood insurance. The answers have been provided by the GAO presenters.

Question: Does the 86% of high risk properties not carrying flood insurance only refer to NFIP? Or does that include private (non NFIP) flood insurance?

> *Answer:* It is NFIP only (i.e. 86% of high-risk properties do not have NFIP coverage). NAIC private flood data are at the state level, so it wasn't possible to merge them with the property-level First Street data. For reference, 14% of all flood insurance policies were private as of December 2025.

Question: What's going on with New Jersey? (in reference to slide that shows higher take-up in NJ than most other states)

> *Answer:* Per figure 2, New Jersey and five other states were in the highest take-up category (6% or more of properties had NFIP or private flood insurance coverage). We did not analyze potential reasons for differences in take-up among states.

Question: Can one get private (flood insurance) and not be dropped?

> *Answer:* Private insurers decide whether to issue or renew flood insurance coverage. The specifics of this might vary depending on different state regulatory structures. NFIP, however, generally must offer coverage to anyone and cannot decline coverage or decide not to renew a policy.

Question: With the coming of ASCE24-24, new minimum elevations for construction at the 500yr levels, will we need to adapt mandatory flood insurance coverage in the 500yr flood zones?

> *Answer:* It is a policy decision that would be up to Congress whether any changes to the mandatory purchase requirement (MPR) would be necessary.

Question: Does it matter if the property is a vacation home vs. a primary residence?

Answer: The context for this question is unclear. We did not analyze differences in take-up between primary and secondary residences.

Question: Is there reliable data that differentiates admitted and surplus (non-admitted) private flood policy count? Were you able to determine how many admitted residential flood carriers are currently doing business?

Answer: NAIC publishes national data broken out by admitted and surplus. We are not aware of these data being publicly available at the state level.

Question: Was the consumer worry over "limited" NFIP coverage about the maximum statutory policy limit, or about basements/enclosures, or both?

Answer: The coverage limit itself was most commonly cited, but some raised concerns about coverage limitations as well.

Question: 7-weeks on average; is there a citation for this number?

Answer: It's 7 years. See our report for additional detail on FEMA flood mapping: https://www.gao.gov/products/gao-22-104079.

Question: Will FEMA lead the efforts to produce and maintain the products that support recommendations 1 and 2? Can these products be used at the local level for floodplain management purposes to regulate development?

Answer: It depends on how the legislation is worded. FEMA currently uses flood maps to identify areas (i.e. SFHAs) that are subject to the MPR. Regarding matter #1, Congress could choose to have FEMA continue doing so for any revised MPR. For matter #2, we recommended that Congress consider directing FEMA to collect property-level flood risk information and make it publicly available. How these products are used at the local level for floodplain management purposes to regulate development would be subject to any applicable laws and regulations.

Question: What is the current plan for the NFIP/FEMA to provide regular updates to their FIRMs?

Answer: This was outside the scope of this engagement, but we would refer you to our previous report: https://www.gao.gov/products/gao-22-104079.

Question: How do insurance scores impact flood purchase rates and is there any legislation or push to make insurance scores easily accessible to the consumer? My clients have found it very difficult to access insurance score information

Answer: It's unclear what is meant by insurance scores.

Question: What barriers did you identify to private insurance in the report?

Answer: The primary barrier is NFIP's discounted premiums. A second barrier is NFIP's continuous coverage requirement for receiving discounted premiums. A third barrier is that NFIP policyholders cannot receive partial refunds if they cancel their policy before the end of its term (typically 1 year) and replace it with a private policy.

Question: Does your NFIP risk data include communities that still have the non-digital FIRMs? 12 of LA 64 parishes still have paper FIRMs.

Answer: We acknowledge that many maps are out of date and would refer you to our previous report on FEMA flood mapping: https://www.gao.gov/products/gao-22-104079. We'd also note that FEMA no longer uses flood maps to set NFIP premium rates, so outdated flood maps would have implications only for the other two purposes: identifying SFHAs for the MPR and floodplain management.

Question: Were you able to suggest any recommendations to improve take-up rate outside of the Mortgage Mandate?

Answer: Yes. While matter #1 relates to the MPR (incorporate pluvial and other sources of flood risk into criteria for MPR determinations), we made three others: direct FEMA to collect property-level flood risk information and make it publicly available; require lenders making federally backed mortgages to ensure homebuyers receive a flood insurance quote prior to closing and to obtain a signed risk disclosure when a buyer declines voluntary flood insurance coverage; and increase NFIP coverage limits and establish a mechanism to adjust them periodically.

Question: Why was earthquake always considered insurable by private companies but flood insurance was not considered insurable except by the US government?

Answer: Earthquake coverage was outside the scope of this engagement. NFIP was created in 1968 when private companies generally were unwilling to provide flood insurance. Much has changed since then, as we have seen with a growing private flood insurance market. We continue to recommend that remaining barriers to private flood insurance be addressed (NFIP's discounted premiums, NFIP's continuous coverage requirement, and a lack of partial refunds for midterm NFIP cancellations replaced by private policies).

Question: Question about barriers to private insurance relates to the recommendation 6 to Congress? What would you want Congress to address?

Answer: We recommended full-risk premiums for all NFIP policies, allowing private coverage to satisfy NFIP's continuous coverage requirement, requiring FEMA to offer risk-based partial refunds for midterm cancellations replaced by private policies.

Question: If the first two recommendations are advanced by Congress, what are the financial projections for providing them?

Answer: We did not produce cost estimates, which would depend on the details of the legislation. The Congressional Budget Office produces cost estimates for every bill approved by a full committee of the House of Representatives or the Senate.

Question: Would the private takeout incentive be federally or state regulated and how would the reporting of information be affected?

Answer: It is unclear what is meant by the private takeout incentive.

Question: Has there been financial analysis (regarding) how much means-based premium would reduce post-flood government program costs?

Answer: We have not conducted that analysis. In a previous report, we did analyze the estimated cost and number of recipients of a means-based assistance program under a variety of assumptions (see https://www.gao.gov/products/gao-23-105977).

Question: Has First Street been adopted as an official government data source?

Answer: We do not make these determinations.

Question: One of the fears about private insurance companies has been they will "cherry pick" policies - how do you see this play out moving forward?

> *Answer:* Private insurers will choose to cover properties that meet their underwriting criteria. In our 2017 report (), we noted that some have expressed concern that private insurers only would offer coverage to NFIP's lowest-risk policies and leave NFIP with the higher-risk policies, increasing the risk exposure of the program. However, others noted that many private insurers are willing to cover higher-risk policies because they have the potential for higher profit than lower-risk policies. Specifically, a private insurer's concern is not so much the risk of the individual properties it insures but rather the correlation of risk among those properties, so they're willing to insure higher-risk properties as long as they were geographically diversified and balanced by lower risk properties. Some properties will be too risky for the private market, leaving them for NFIP to insure. We'd also note that while the average risk of policies that remain in NFIP might be higher than NFIP's current average risk level, the aggregate exposure to risk could be much lower because of the lower number of policies. Further, if NFIP became a smaller program for the highest-risk properties, it would be much better positioned to target its mitigation efforts to those properties. Finally, the concern about fiscal exposure exists primarily because of the existence of less than full-risk rates.

Question: Did you think about giving Congress a timeframe by when they ought to act on these recommendations. I think I know the answer but I'd like to hear about the urgency from GAO.

> *Answer:* We do not provide Congress with timeframes to act on our recommendations. It is their prerogative whether and when to act on any of our recommendations. The fact that NFIP has been on GAO's High Risk List since 2006 is an indicator of the importance we place on addressing the issue.

Question: What are the main conclusions you would you want to further research to follow up and enrich understanding of these findings? - findings that are especially important and need further dissection.

> *Answer:* In our 2017 report (https://www.gao.gov/products/gao-17-425), we highlighted the need for comprehensive reform of flood insurance. This 2027 report and our 2023 report (https://www.gao.gov/products/gao-23-105977) were deep dives on the specific reform areas. They identified 10 matters for congressional consideration that, if implemented, would lead to that comprehensive reform.

Question: Are there considerations by Congress to exempt commercial/other residential buildings from mandatory purchase?

Answer: This was outside the scope of our report.

The recording of this webinar is accessible here: https://www.nfaflood.com/nfa-video-archive